

JAMES M. AVERY
Direct Dial: 617/856-8112
E-Mail: javery@brownrudnick.com

One
Financial
Center
Boston
Massachusetts
02111
tel 617.856.8200
fax 617.856.8201

May 12, 2006

HAND DELIVER

Mary L. Cottrell, Secretary
Department of Telecommunications and Energy
One South Station
Boston, Massachusetts 02110

Re: The Berkshire Gas Company - D.T.E. 06-27

Dear Secretary Cottrell:

Enclosed for filing in the above-referenced proceeding, please find a copy of the redacted responses of The Berkshire Gas Company to the Second Set of Information Requests of the Attorney General. The redacted version reflects actual questions that were redacted by the Attorney General. For all the reasons stated previously in Berkshire's Motion for Protective Treatment of Confidential Information dated February 28, 2006 and pursuant to G.L. c. 25, §5D, the Company is requesting that all items related to contract price and certain information relating to the solicitation as reflected in the redacted responses to Information Requests provided herein be protected from public disclosure because of their competitively sensitive and proprietary nature. These materials are being provided to the Hearing Officer and Department officials and, pursuant to an executed non-disclosure agreement, to the Attorney General. These redacted responses are also being submitted electronically.

The Company is sending a searchable version of the responses by e-mail to the Attorney General.

Thank you for your attention to this matter.

Very truly yours,

BROWN RUDNICK BERLACK ISRAELS LLP

By: 

James M. Avery

JMA/cdw
Enclosure

cc: John J. Keene, Jr., Esq., Hearing Officer (w/4 redacted and 2 non-redacted enc via hand delivery)
Rebecca S. Hanson, Esq., Assistant General Counsel (non-redacted via electronic mail)
Andreas Thanos, Assistant Director, Gas Division (non-redacted via electronic mail)
Jamie Tosches, Esq., Assistant Attorney General (w/4 redacted and non-redacted enc via hand delivery)
Karen L. Zink, President, COO and Treasurer (w/enc)
Jennifer M. Boucher, Manager - Regulatory Economics (w/enc)

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**Attorney General
Second Set of Information Requests**

REDACTED

**THE BERKSHIRE GAS COMPANY
D.T.E. 06-27**

Witness: Jennifer M. Boucher
Date: May 12, 2006

Question

AG-2-1: Please refer to the response to AG-1- 2 and AG-1- 4. Describe the methodology that Berkshire Gas Company ("Company" or "Berkshire") plans to use to credit customers through the Cost of Gas Adjustment Clause for the proceeds from the sale of excess gas.

Response: An estimate of the proceeds from the "buyback" transactions with Coral will be included in each winter cost of gas adjustment ("CGA") throughout the term of the agreement. The actual proceeds from "buyback" transactions with Coral will be credited towards gas costs on a monthly basis through the Company's monthly reconciliation and the difference returned to customers the following winter through the CGA as part of the annual reconciliation.

**Attorney General
Second Set of Information Requests**

**THE BERKSHIRE GAS COMPANY
D.T.E. 06-27**

Witness: Jennifer M. Boucher
Date: May 12, 2006

Question

AG-2-2: Please refer to the response to the response to DTE-1-2 and AG-1-5. Please explain what benefit the ROFR will provide to the Company and its customers. What actions, if any, must the Company or Coral take to obtain these benefits and when does the Company or Coral have to act? When will the Company know that the ROFR is available to the Company?

Response: If the ROFR is ultimately available, it will allow the Company to maintain the 5,000 MMBtu per day of capacity on a primary basis to its citygate after the contract with Coral expires. The continuation of these capacity rights would provide long-term diversity, reliability and flexibility to the Company and its customers. Coral will be seeking clarification on the assignment of the ROFR and has had limited discussions with the Tennessee Gas Pipeline Company ("TGP") with regards to this. Coral, which has responsibility for seeking authority to assign the ROFR, has agreed to seek FERC clarification if the matter is not resolved with TGP. As specified in Section 2.1(d) of the Letter Agreement, the Company expects that there will be a determination of the ROFR availability prior to the "Capacity Release Date" of March 1, 2011 in order to enable Berkshire to exercise a ROFR under TGP's FERC Gas Tariff.

**Attorney General
Second Set of Information Requests**

**THE BERKSHIRE GAS COMPANY
D.T.E. 06-27**

Witness: **Jennifer M. Boucher**
Date: **May 12, 2006**

Question

AG-2-3: How much will the Company pay for the capacity it may obtain under the ROFR?
Provide the details of the costs.

Response: INTENTIONALLY OMITTED

****RESPONSE IS CONFIDENTIAL AND PROPRIETARY****
****PROTECTIVE TREATMENT****

**Attorney General
Second Set of Information Requests**

**THE BERKSHIRE GAS COMPANY
D.T.E. 06-27**

Witness: Jennifer M. Boucher
Date: May 12, 2006

Question

AG-2-4: Please refer to the response to AG-1- 7. Explain why the Company believes the discount price is a fair price for its non-receipt of the ROFR and provide the basis for the Company's conclusion.

Response: INTENTIONALLY OMITTED

****RESPONSE IS CONFIDENTIAL AND PROPRIETARY**
PROTECTIVE TREATMENT**

**Attorney General
Second Set of Information Requests**

**THE BERKSHIRE GAS COMPANY
D.T.E. 06-27**

Witness: Jennifer M. Boucher
Date: May 12, 2006

Question

AG-2-5: Please refer to the response to AG-1- 7. Name the people involved in the negotiations and substantiate the terms of the negotiations.

Response: The primary contacts for The Berkshire Gas Company were Karen Zink and Jennifer Boucher while the primary contact for Coral Energy Resources, L.P. was Diego Molina. See also the response to AG-2-4.

**Attorney General
Second Set of Information Requests**

**THE BERKSHIRE GAS COMPANY
D.T.E. 06-27**

Witness: Jennifer M. Boucher
Date: May 12, 2006

Question

AG-2-6: Please state whether the Company has a written document retention policy for gas supply and transportation capacity contracts. Provide the written policy and the Massachusetts regulations which govern the record retention obligations for contracts.

Response: The Company's written gas supply document retention policy is provided as Attachment AG-2-6(a) and the Massachusetts regulations are provided as Attachment AG-2-6(b). The written policy is governed by the Order in D.P.U. 92-258-A (1993) that amended the Department's regulations at 220 C.M.R. 75.00.

Item #	Record Series	Record Title	Legal Regulatory Code	Legal Retention Code	Company Retention Code	Document Format	Remarks
1.00	Contracts						
1.01		Supplier Contracts	220 CMR 40 (a) (2)	6	6	Paper	Onsite
1.02		Pipeline Contracts	220 CMR 40 (a) (2)	6	6	Paper	Onsite
1.03		Contract Analysis	220 CMR 40 (b)	6	6	Both	Onsite
2.00	Regulatory Filings						
2.01		Forecast & Supply Plan	N/A	N/A	10	Both	Onsite
2.02		Contract Approvals	N/A	N/A	10	Both	Onsite
2.03		Information Requests	N/A	N/A	10	Both	Onsite
3.00	Internal Reports						
3.01		Monthly Gas Costs	220 CMR 61 (b)	2	2	Both	Onsite
3.02		Monthly Gas Statistics	220 CMR 22.3 (h)	6	6	Both	Onsite
3.03		Operating Report	220 CMR 61 (b)	2	2	Paper	Onsite
3.04		Revenue Report	220 CMR 61 (b)	2	2	Paper	Onsite
3.05		Gas Invoices	220 CMR 15 (b)	6	6	Paper	Onsite
3.06		Budget Gas Costs	220 CMR 62	3	3	Both	Onsite

220 CMR 75.00: THE PRESERVATION OF RECORDS OF ELECTRIC, GAS, AND
WATER UTILITIES

Section

75.01: Applicability and Scope

75.02: Definitions

75.03: General Instructions

75.04: Application for Exceptions from Provision of 220 CMR 75.00

75.05: Schedule of Records and Periods of Retention

75.01: Applicability and Scope

- (1) 220 CMR 75.00 is prescribed and promulgated as the regulations governing the preservation of records by gas, electric, and water utility companies, and municipal gas and electric companies, subject to the jurisdiction of the Massachusetts Department of Public Utilities (hereinafter "Department"), to the extent and in the manner set forth therein.
- (2) 220 CMR 75.00 shall, as to all public utilities now subject to the jurisdiction of the Department, become effective as herein revised upon publication in the *Massachusetts Register*. As to any public utility that may hereafter become subject to the jurisdiction of the Department, this part shall become effective as of the date when such public utility becomes subject to the jurisdiction of the Department.
- (3) 220 CMR 75.00 applies to all books of account and other records prepared by or on behalf of the public utility. See 220 CMR 75.05(64) for those records that come into possession of the public utility in connection with the acquisition of property, such as purchase, consolidation, merger, or other business combination.
- (4) 220 CMR 75.00 shall not be construed as excusing compliance with any other lawful requirement for the preservation of records for periods longer than those prescribed herein.
- (5) The adoption of 220 CMR 75.00 governing the preservation of records, being general in nature, shall not be construed to cancel, alter, modify, or amend Department orders, regulations, federal or state statutes or laws, customs, or precedents that have been established outside of the scope of the subject covered herein, unless otherwise changed by legislation, court decision, or order of the Department.

75.02: Definitions

When used in 220 CMR 75.00:

Affiliated companies (or affiliates) means companies or persons that directly, or indirectly through one or more intermediaries, control, or are controlled by, or are under common control with, the utility.

Continuing Plant Inventory Records shall be defined as it is in the Federal Energy Regulatory Commission regulations (18 CFR, Chapter 1, Part 101).

Department means the Massachusetts Department of Public utilities, its Commissioners, and employees.

Destroy at option means to destroy at the discretion of the utility.

Image count indexing or "blipping" refers to a retrieval technique in which rectangular marks called blips or image count marks, that are encoded on microfilm, are counted by a reader to automatically advance the film to a specified frame.

Item means the categories or subcategories of 220 CMR 75.05.

Public Utility means any electric, gas, or water company subject to the jurisdiction of the Department, and any municipal gas or electric company subject to the jurisdiction of the Department.

Regulatory Agency or agencies means federal or state entities with jurisdiction over the public utility.

Schedule means the Schedule of Records and Periods of Retention, set forth in 220 CMR 75.05.

75.03: General Instructions

- (1) Duplicate Copies and Non-Scheduled Records
 - (a) Unless otherwise specified in 220 CMR 75.05, duplicate copies of records may be destroyed at any time, *provided, however*, that such duplicate copies contain no significant information not shown on the originals.
 - (b) Records other than those listed in the schedule may be destroyed at the option of the public utility, *provided, however*, that records that are used in lieu of those listed shall be preserved for the periods prescribed for the records used for substantially similar purposes. And, *provided further*, that retention of records pertaining to added services, functions, plant, etc., the establishment of which cannot be presently foreseen, shall

conform to the principles embodied herein.

- (2) Designation of supervisory official. Each public utility subject to 220 CMR 75.00 shall designate one or more persons with official responsibility to supervise the utility's program for preservation and the authorized destruction of its records.
- (3) Protection and storage of records. The public utility shall provide reasonable protection for records subject to 220 CMR 75.00 from damage by fire, floods, and other hazards and, in the selection of storage spaces, safeguard the records from unnecessary exposure to deterioration from excessive humidity, dryness, or lack of proper ventilation.
- (4) Definition of record media
 - (a) For the purpose of 220 CMR 75.00, the data constituting the records listed in the Schedule of Records and Periods of Retention (220 CMR 75.05) may be retained in any of the media forms in Table 1 of 220 CMR 75.03. However, records supporting plant cost shall be retained in their original form. (See 220 CMR 75.03(10), for periods of retention.)
 - (b) If the media form of the record retained is other than a readable paper copy, then reader and/or printer equipment and related printout programs, if required, shall be provided by the public utility for data reference.
 - (c) The media form initially selected for the record becomes the "original" for that particular record. If subsequent conditions (e.g., improved media life expectancy, increased utility resources, environmental factors) require and the remaining retention period permits a change in the media forms, the public utility may convert to another medium and dispose of its old equipment, provided the certification processes described in 220 CMR 75.03(5), or other applicable certification processes, are observed and data referencing capability is maintained.

Table 1-Record Media

<u>Record media/form</u>	<u>Media expected life</u>	<u>Comments and standards</u>
1. Paper and card stock (hardcopy).	Archival permanency.	For each document, paper stock should be selected with a life expectancy equal to or greater than the retention period specified for that document.
2. Magnetic Storage: <ol style="list-style-type: none">a. Computer Disk (i.e., hard disk	five years.	Assumes storage in a controlled environment with

and floppy disk).		with a temperature and humidity range of 60° - 80°F. and 40 - 60 %, respectively. Assumes regular system of copying and re-generation is utilized.
b. Tape (e.g., computer tape and video tape).	five years.	Same as above.
c. Punched tape or card.	Archival permanency.	For each record, tape media (paper, mylar, metallic base) should be selected with a life expectancy equal to or greater than the retention period specified for that record.
3. Microforms:	Archival permanency.	Assumes processing to standards and storage in a controlled environment with a temperature and humidity range of 60° - 80°F and 40 - 50% Respectively. (Ref. American National Standards Institute (ANSI) standards PH 5.4 - 1970, PH 1.41-1970, PH 1.41 - 1976, PH 1.26 - 1979, PH 1.43 - 1961, or most current standards as accepted by the National Archives for use by Federal agencies. See 41 CFR 101-11.5)
a. Microfilm, including Computer Output Microfilm (COM), microfiche jackets, and aperture cards		
b. Updatable type.	Dependent on use of media.	For temporary records not requiring archival permanency so long as the microform or film selected has a life expectancy equal to, or greater than, the retention period for that record. Same storage condition as for microfilm.
c. Metallic record data strips	Archival permanency.	Same storage conditions as for microfilm.
4. Optical Disk	ten-20 years.	Assumes regular system of copying

including CD-ROM,
WORM, and
erasable type

and regeneration is available and utilized. Reference the following quality controls: (1) disk technology does not allow deletion or modification of record images, (2) image of each record is written onto two optical disks, (3) the legibility of each record image is verified to ensure that image is legible on both disks; if image is illegible, the hard copy record is maintained as record copy, (4) one disk is stored in document imaging system for on-line retrieval, (5) second (backup) disk is stored in records storage facility meeting requirements of ANSI N45.2.9-1974 for single copy storage in separate remote location, (6) records stored on disk are acceptably copied (including verification) onto new disk before manufacturer's certified useful life of original disk is exceeded, (7) random inspections of images stored on disks are performed to verify non-degradation of image quality, and (8) if replacing imaging system with incompatible system, records stored on old system's disks must be acceptably converted (including verification) into new system before old system is taken out of service.

(5) Microform, tape, and computer output certification

(a) As the initial recording media --

1. Except as provided in 220 CMR 75.03(5)(a)2. each microform record series:
 - a. shall contain, at the beginning, a microform introduction stating the title of the record series, the date prepared, the name of the official responsible for validating or confirming the data contained therein; and
 - b. shall be closed with a clear and standard microform notation indicating the completion of the series and the date.

2. If an official, permanent record series is a computer output product (*i.e.*, output paper or microfilm, jacketed microfiche, or aperture cards), any certification that may otherwise be required under 220 CMR 75.03(5)(a)1. is not required if:
 - a. The series is prepared in accordance with written standard procedures developed, or accepted general business practices followed, by the public utility that ensure the integrity of record series that are the product of computer output; and
 - b. Such procedures or practices include the name or title of the official responsible for validating or confirming the data contained in the record series and confirming that a particular computer output record series was produced in accordance with the standard procedures or practices.
 3. If, after validation, supplemental data and/or corrections (*i.e.*, resulting from computer programming) are required, said microform may be produced separately or as a part of the series rerun, but shall be affixed to the original microform certificate as described in 220 CMR 75.03(5)(a)1.
 4. Each tape record series shall be labeled externally and shall include, as a basic part of the program, at the beginning of that series an introduction stating the record series title, date prepared, the name of the official responsible for validating or confirming the data contained therein, and an index where appropriate. Each record series shall be closed with a clear and standard notation indicating the completion of that series and the date.
- (b) Conversion from other media --
1. Each microform record series shall include, as an integral part, a certificate(s) stating that the microforms are direct and facsimile reproductions of the original records and that they have been made in accordance with prescribed instructions. Such certificate(s) shall be executed by a person(s) having personal knowledge of the facts covered thereby.
 2. Each microform record series shall commence and end with a statement as to the nature and arrangement of the records reproduced, and the date. Rolls of film shall not be cut except to produce jacketed microfiche. Supplemental or retaken film, whether of misplaced or omitted documents or of portions of microform found to be defective, shall be attached to the beginning of the microform record series. However, if a retrieval system using such methods as, for example, image count indexing or "blipping" is used, the supplemental or retaken film may be attached at the end of the series, if provisions at the beginning of the series advise the viewer of the location of the

problem frames and the location of the supplemental or retaken frames. If supplemental or retaken film of misplaced or omitted documents, or of portions of microform found to be defective, are attached to the microform record series, the certificate described in 220 CMR 75.03(5)(a)1. shall cover the supplemental or retaken film and shall state the reasons for the attachment.

3. If, in accordance with the provisions of 220 CMR 75.03(6), the public utility elects to convert records to a tape medium, the same certification provisions specified in 220 CMR 75.03(5)(a)3. must be provided in the conversion program.
- (6) Change of media for existing records. Those records prepared and maintained under previous regulations in a paper medium may be converted to a medium listed in Table 1 at the public utility's option, provided applicable certification processes are observed and an audit referencing capability is maintained.
- (7) Media
- (a) All records created or maintained in a medium and a format other than readable entries on paper shall:
 1. Be prepared, arranged, classified, identified, and indexed so as to permit the subsequent location, examination, and reproduction of the record to a readable medium;
 2. Be stored in such a manner as to provide reasonable protection from hazards such as fire, flood, and theft; and be maintained in a controlled environment; and
 3. Be regenerated, including proper certification, when damaged.
(Also see 220 CMR 75.03(4)(a).)
 - (b) The public utility shall be prepared to furnish, at its own expense, standard facilities for reading media and additionally shall provide, if the Department so directs, copies of records in a readable form.
 - (c) All film stock shall be of approved operationally-permanent-record microcopying type, which meets the current specifications of the American National Standards Institute.
- (8) Destruction of records. The destruction of the records permitted to be destroyed under the provisions of 220 CMR 75.00 may be performed in any manner elected by the public utility concerned. Precautions should be taken, however, to macerate or otherwise destroy the legibility of records, the content of which is forbidden by law to be divulged to unauthorized persons.
- (9) Premature destruction or loss of records. When records are destroyed or lost before the expiration of the prescribed period of retention, a certified statement listing, as far as may be determined, the records destroyed and describing the circumstances of accidental or other premature destruction or loss shall be filed

with the Department within 90 days from the date of discovery of such destruction.

- (10) Schedule of records and periods of retention. The Schedule of Records and Period of Retention (220 CMR 75.05) shows the period of time that designated records shall be preserved. However, records related to plant shall be retained for a minimum of 25 years unless accounting adjustments resulting from reclassification and original cost studies have been approved by the Department and approved continuing plant inventory records are maintained. (Also see 220 CMR 75.03(31).)
- (11) Retention periods designated "Destroy at option". Use of the retention period, "Destroy at option," in 220 CMR 75.00 constitutes authorization for such destruction under the conditions specified for the particular types of records, only if such optional destruction is appropriate to limited managerial interest in such records and if such optional destruction is not in conflict with other legal retention requirements or usefulness of such records in satisfying pending regulatory actions or directives.
- (12) Records of services performed by affiliated companies. The public utility to which 220 CMR 75.00 apply shall assure the availability of records of services performed by affiliated companies for the periods indicated herein, as are necessary, to support the cost of services rendered to it by an affiliated company.
- (13) Index of records. At each office of the public utility where records are kept or stored, such records as are herein required to be preserved shall be so arranged, filed, and currently indexed that they may be identified readily and made available to representatives of the Department.

75.04: Application for Exceptions from Provision of 220 CMR 75.00

Notwithstanding the provisions of the Schedule (220 CMR 75.05), the Department may, upon the written request of a public utility, authorize a shorter period of retention for any record listed therein upon a showing by the public utility that preservation of such record for a longer period is not necessary or appropriate for the public interest or for the protection of investors or consumers.

In addition, notwithstanding the provisions of 220 CMR 75.03, the Department may, upon the written request of a public utility, authorize use of a record medium not included in the definition of record media in 220 CMR 75.03, Table 1-Record Media, upon a showing by the public utility that the record medium ensures the preservation of records in a manner appropriate for the public interest as well as the protection of investors and consumers. Such a showing will include a demonstration that the medium meets acceptable industry standards for reliability and accuracy, and that appropriate safeguards are in place to prevent loss or destruction of records. The Department may

seek comments from interested parties regarding such requests for exceptions. Petitioners are expected to provide the Department with a complete filing, including all necessary and relevant supporting documentation. Failure to make a complete filing may result in dismissal of the petition for exception.

75.05: Schedule of Records and Periods of Retention

Corporate and General

- (1) Capital stock records.
- (2) Proxies and voting lists.
- (3) Reports to stockholders.
- (4) Debt security records.
- (5) Filings with and authorization by regulatory agencies.
- (6) Organizational documents.
- (7) Contracts and agreements.
- (8) Accountants' and auditors' reports.

Automatic Data Processing

- (9) Automatic data processing records.

General Accounting Records

- (10) General and subsidiary ledgers.
- (11) Journals.
- (12) Journal vouchers and entries.
- (13) Cash books.
- (14) Voucher register.
- (15) Vouchers.
- (16) Accounts receivable.
- (17) Records of securities owned.
- (18) Payroll records.
- (19) Assignments, attachments, and garnishments.

Insurance

- (20) Insurance records.
- (21) Injuries and damages.

Operations and Maintenance

- (22.1) Production - Electric (non-nuclear)
- (22.2) Production - Electric (nuclear)
- (22.3) Production - Gas

- (22.4) Production - Water
- (23.1) Transmission and distribution - Electric
- (23.2) Transmission and distribution - Gas
- (23.3) Transmission and distribution - Water
- (24) Customers' service
- (25) Records of auxiliary and other operations.
- (26) Maintenance work orders and job orders.

Personnel

- (27) Personnel records.
- (28) Employees benefit and pension records.
- (29) Instruction to employees and others.

Plant and Depreciation

- (30) Plant ledgers.
- (31) Construction work in progress.
- (32) Retirement work in progress.
- (33) Summary sheets.
- (34) Appraisals and valuations.
- (35) Maps.
- (36) Engineering records.
- (37) Contracts and other agreements relating to utility plant.
- (38) Reclassification of utility plant account records.
- (39) Accumulated depreciation and depletion of utility plant account records.

Purchases and Stores

- (40) Procurements.
- (41) Material ledgers.
- (42) Materials and supplies received and issued.
- (43) Records of sale of scrap and materials and supplies.
- (44) Inventories of materials and supplies.

Revenue Accounting and Collecting

- (45) Customers' service applications and contracts.
- (46) Rate schedules.
- (47) Customer guarantee deposits.
- (48) Water reading sheets and records.
- (49) Maximum demand pressure temperature.
- (50) Miscellaneous billing data.
- (51) Revenue summaries.
- (52) Customers' ledgers.

- (53) Merchandise sales.
- (54) Collection reports and records.
- (55) Customers' account adjustments.
- (56) Uncollectible accounts.

Tax

- (57) Tax records.

Treasury

- (58) Statement of funds and deposits.
- (59) Records of deposits with banks and others.
- (60) Records of receipts and disbursements.

Miscellaneous Records

- (61) Statistics.
- (62) Budgets and other forecasts.
- (63) Correspondence.
- (64) Records of predecessor and former associates.
- (65) Reports to federal and state regulatory agencies.
- (66) Copies of advertisements.

SCHEDULE OF RECORDS AND PERIODS OF RETENTION

Description	Retention Period
<u>CORPORATE AND GENERAL</u>	
(1) Capital stock records:	
(a) Capital stock ledgers or other records showing the same information	six years after the stock-holders' account is closed. ¹
(b) Capital stock subscription warrants, requests for allotments, and other essential papers related thereto.	two years after settlement.
(c) Stubs or similar records of capital stock certificate issuance where not used as capital stock ledger record.	six years after cancellation of certificate. If this record serves the record serves the purpose of a capital stock ledger, Item(1)(a) is applicable.
(d) Stock transfer registers or sheets	six years after last entry on page or

or similar records.	sheet of record.
(e) Papers pertaining to or supporting transfers of capital stock: Papers that are recorded officially in a court or in the office of some other public recording authority; and other papers presented by any bank or trust company requesting transfers in its capacity as a fiduciary and miscellaneous papers.	Destroy at option or return to stockholder.
(f) Canceled capital stock certificates where not used as capital stock ledger records.	six years after cancellation of certificate. If this record serves purpose of a capital stock ledger, Item 1(a) is applicable.
(g) Change of address notices of stockholders.	Destroy at option after changes are recorded.
(h) Bonds of indemnity and affidavits covering issuances of stock certificates to replace lost certificates.	six years after expiration of bonds
(i) Letters, notices, reports, statements, and other communications distributed to all stockholders of a particular class:	
1. Formal communications addressed to all stockholders of a particular class, including annual reports to stockholders, notices of annual and special meetings of stockholders, and other notices, reports, letters, or statements relating to corporate or stockholder actions.	Life of public utility.
2. Interim reports of operations, speeches of corporate officers, notices of change of corporate address, of telephone numbers, etc.	six years after the date thereof.
(j) Dividend registers, lists or similar records.	six years.
(k) Paid dividend checks.	six years.
(l) Third-party dividend orders.	six years after recision order.
(2) Proxies and voting lists:	
(a) Proxies of holders of voting securities.	three years.

(b) Lists of holders of voting securities represented at meetings.	one year.
(3) Reports to stockholders:	
(a) Annual reports or statements stockholders.	Life of public utility.
(b) Written acknowledgments of receipts of reports to stockholders and written requests for copies of such reports.	Destroy at option.
(4) Debt security records: ²	
(a) Registered bond and debenture ledgers.	three years after retirement.
(b) Bond and debenture subscription accounts, warrants, subscription notices, requests for allotment, and essential papers related thereto.	three years after settlement.
(c) Stubs or similar records of bond and debenture certificates issued.	three years after redemption.
(d) Papers pertaining to or supporting transfers of registered bonds and debentures: Papers that are recorded officially in a court or in the office of some other public recording authority; and other papers presented by any bank or trust company requesting transfers in its capacity as a fiduciary, plus other miscellaneous papers.	Destroy at option or return to holders of the bonds or debentures.
(e) Records of bond and debenture interest coupons paid and unpaid.	Destroy at option. ³
(f) Canceled bonds and debentures and paid interest coupons pertaining thereto.	Destroy at option. ³
(g) Trust indentures, loan agreements or other contracts or agreements securing debt securities issued. (If such papers or documents are included among the records covered by Item 5, this instruction will not apply.)	six years after redemption.

- | | |
|---|---|
| <p>(h) Copies of reports, statements, letters or memoranda filed with Trustee(s) pursuant to provisions of trust indenture or other security instrument or agreement securing debt securities issued.</p> | <p>six years after redemption.
(Destroy at options provided that Trustee(s) under such indenture or security instrument is a National Bank, a member of the Federal Reserve System, or a subsidiary of any such National Bank or Federal Reserve System member bank; and provided further that the Trustee(s) has certified to the company that copies of all such documents will be available in the offices of the Trustee(s) for inspection at any time prior to redemption by holders of debt securities to which such documents relate and for inspection by any federal or state regulatory agency prior to redemption and for an additional period of six years after redemption).</p> |
| <p>(i) Paid or canceled debt securities evidencing temporary borrowings.</p> | <p>three years after payment or cancellation, provided other records of issuance and payment or cancellation are maintained.</p> |
| <p>(j) Paid interest checks.</p> | <p>six years.</p> |
| <p>(5) Filings with and authorizations by regulatory agencies:</p> | |
| <p>(a) Authorization from regulatory bodies for issuance of securities:</p> | |
| <p>1. Copies of applications to regulatory bodies for authority to issue stocks, bonds and other securities, including copies of exhibits in support of such applications.</p> | <p>25 years or until all securities covered are retired, whichever is shorter.⁴</p> |
| <p>2. Official copies of opinions and orders of regulatory bodies granting authority to issue securities.</p> | <p>Until securities covered are retired.</p> |
| <p>3. Reports filed with regulatory bodies in compliance with authorizations to issue securities. (Reports of sales of securities, of application of proceeds, etc.)</p> | <p>Until securities covered are retired.</p> |

File copies of such reports and supporting papers.

- (b) Copies of registration statements and other data filed with the Securities and Exchange Commission:
 - 1. In connection with offerings of securities for sale to the public or the listing of securities on exchanges, including supporting papers. 25 years or until all securities covered are retired whichever is shorter.⁴
 - 2. Copies of periodic reports and supporting paper filed in compliance with either the Securities Act of 1933 or the Securities Exchange Act of 1934. 25 years.
- (6) Organizational documents:
 - (a) Minute books of stockholders', directors', and directors committee meetings, and of Board of Light Commissioners or other municipal governing body. Life of public utility.
(Permanently for municipalities.)
 - (b) Titles, franchises, and licenses:
 - 1. Deeds and other title papers (including abstracts of title and supporting data). six years after property is disposed of unless surrendered to transferee.
 - 2. Corporate charters or certificates of incorporation. Life of public utility.
 - 3. Franchises and certificates authorizing operations as a public utility. Life of public utility.
 - 4. Licenses (including amendments thereof) granted by federal or state authorities for construction and operation of utility plant. 25 years after plant is retired or expiration of license, whichever is shorter.
 - 5. Copies of formal orders of regulatory agencies served on the public utility. Life of public utility.
 - (c) Permits:
 - 1. Permits and granted application for the use of facilities others six years after expiration or cancellation.
 - 2. Copies of permits and applications granted others for the six years after expiration or cancellation.

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| use of the utility's facilities. | |
| 3. Applications for the use of facilities not granted and copies of such applications. | Destroy at option. |
| 4. Permits of a temporary nature for municipalities or others to perform specific work, such as permits to open streets. | Destroy at option. |
| (d) Organization diagrams and charts. | Destroy at option after expiration or supersession. |
| (7) Contracts and agreements (except contracts provided for elsewhere): | |
| (a) Service contracts, such as for management, accounting, financial, and engineering services. | six years after expiration or cancellation. |
| (b) Contracts with other utilities, affiliates, for the purchase, sale or interchange of product. | six years after expiration or cancellation. |
| (c) Leases pertaining to rentals of property to or from others. | six years after expiration or cancellation. |
| (d) Contracts and agreements with individual employees, labor unions, company unions, and other employee organizations relative to wage rates, hours, and similar matters. | six years after expiration or cancellation. |
| (e) Contracts, agreements, and/or other essential records necessary to the carrying out of the functions of an employees' stock purchase plan or other type of employees' saving plan. | six years after expiration or cancellation. |
| (f) Contracts or agreements for the acquisition or disposal of investments (excluding temporary cash investments). | 25 years after disposal. |
| (g) Memoranda essential to clarifying or explaining provisions of contracts listed above. | For the same period as contracts to which they relate. |
| (h) Card or book records of contracts, leases, and agreements made, showing dates of expirations and or renewals, and payments under such contracts, etc. | For the same period as contracts to which they relate. |
| (8) Accountants' and auditors' reports: | |

- (a) Reports of examinations and audits by accountants and auditors not in the regular employ of the public utility (such as reports of public accounting firms and regulatory agency accountants).
- (b) Internal audit reports and work papers.

Seven years after date of report.

Seven years after date of report.

AUTOMATIC DATA PROCESSING

- (9) Automatic data processing records (Retain original source data used as input for data processing and data processing report printouts for the applicable periods prescribed elsewhere in the Schedule.):

- (a) Punched cards, tapes, similar media used as intermediate records or steps in data processing for assembling data to be posted to the records of the company or used in a report or a study.
- (b) Program documentation and revisions thereto.

Destroy at option.

Retain for periods prescribed for related output data. Statements and illustrations as to the scope of operations should be sufficiently detailed to indicate (a) the application being performed, (b) the procedures employed in each application (that, for example, might be supported by flow charts, block diagrams, or other descriptions of operating procedures), and (c) the controls used to insure accurate and reliable processing. Major program changes, together with their effective dates, should be noted in order to preserve an accurate chronological record.

GENERAL ACCOUNTING RECORDS

- (10) General and subsidiary ledgers:
 - (a) 1. General ledgers.

50 years.

2. Ledgers subsidiary or auxiliary to general ledgers except ledgers provided for elsewhere.	50 years.
(b) 1. Indexes to general ledgers.	50 years.
2. Indexes to subsidiary ledgers except ledgers provided for elsewhere.	50 years.
(c) Trial balance sheets of general and subsidiary ledgers.	Two years.
(11) Journals:	
(a) General and subsidiary.	50 years.
(12) Journal vouchers and journal entries including supporting detail:	
(a) Journal vouchers and journal entries.	50 years.
(b) Analyses, summarizations, distributions, and other computation that support journal vouchers and journal entries:	
1. Charging plant accounts.	Six years.
2. Charging all other accounts.	Six years.
(c) Schedules for recurring journal entries.	Destroy when superseded.
(d) Lists of standard journal entry numbers.	Destroy when superseded.
(13) Cash books:	
(a) General and subsidiary or auxiliary books.	Ten years after close of fiscal year.
(14) Voucher registers:	
(a) Voucher registers or similar records.	Six years.
(15) Vouchers:	
(a) Paid and canceled vouchers (<i>i.e.</i> , one copy analysis sheets showing detailed distribution of charges on individual vouchers and other supporting papers).	Six years.
(b) Original bills and invoices for materials, services, etc., paid by vouchers.	Six years.

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| (c) Paid checks and receipts for payments by voucher or otherwise. | Six years. |
| (d) Authorization for the payment of specific vouchers. | Six years. |
| (e) Lists of unaudited bills (accounts payable), lists of vouchers transmitted and memoranda regarding charges in unaudited bills. | Destroy at option. |
| (f) Voucher indexes. | Destroy at option. |
|
(16) Accounts receivable (see Items 53 and 54 for accounts with customers for utility service and for merchandise sales, respectively): | |
| (a) Records of accounts receivable pertaining to sales of utility plant. | Three years after settlement. |
| (b) Record or register of accounts receivable and indexes thereto and summaries of distribution. | Three years after settlement. |
| (c) Accounting department copies of invoices issued and supporting papers that do not accompany the original invoices and authorizations for charges including supporting papers. | Three years after settlement. |
| (d) Periodic statements of unsettled accounts, except trial balances. | Destroy at option. |
| (e) Schedule of invoices to be issued. | Destroy at option. |
|
(17) Records of securities owned: | |
| (a) Records of securities owned, in treasury, or with custodians (excluding temporary investment of cash). | Six years after disposal of the investment. |
|
(18) Payroll records: | |
| (a) Payroll sheets or registers of payments of salaries and wages. | Six years. |
| (b) Records showing the distribution of salaries and wages paid and summaries or recapitulation statements of such distribution. | Six years. |
| (c) Time tickets, time sheets, time books, time cards, worker's reports and other records showing hours | |

worked, description of work and accounts to be charged:

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| 1. When used as a basis for payment of salaries and wages supporting records described in Item 18(a). | Six years. |
| 2. When used solely as basis for supporting records described in Item 18(a). | Destroy at option. |
| (d) Paid checks, receipts for wages paid in cash, and other evidences of payments for services rendered by employees. | Three years. |
| (e) Applications and authorizations for changes in wage and salary rates, summaries and reports of changes in payrolls, and similar records. | Three years. |
| (f) Applications for payroll changes not authorized. | Destroy at option. |
| (g) Payroll authorizations and records of authorized positions. | Three years. |
| (h) Records of deductions from payrolls. | Destroy at option. |
| (i) Comparative or analytical statements of payrolls. | Destroy at option. |
| (j) Employees' individual earnings record. | Six years after termination of employment. |
| (19) Assignments, attachments, and garnishments: | |
| (a) Record of assignments, attachments, and garnishments of employees' salaries, including files of notices, etc., pertaining thereto. | Destroy at option. |
| (b) Minors' salary releases. | Destroy at option. |

INSURANCE

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| (20) Insurance records: | |
| (a) Records of insurance policies in force, showing coverage, premiums paid, and expiration dates. | Destroy at option after expiration of such policies plus one year, except records of liability insurance coverage, which are to be retained six years after expiration of such |

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| <p>(b) Insurance policies.</p> <p>(c) Records of amounts recovered from insurance companies in connection with losses and of claims against insurance companies, including reports of losses and supporting papers.</p> <p>(d) Inspectors' reports and records of condition of property.</p> <p>(e) Insurance maps of property and structures erected thereon.</p> <p>(f) Records and statements relating to insurance requirements.</p> | <p>policies, and records of environmental liability coverage, which are to be retained for the life of utility.</p> <p>Destroy at option after expiration of such policies plus one year, except policies for liability insurance, which are to be retained six years after expiration of such policies, and policies for environmental liability insurance, which are to be retained for the life of utility.</p> <p>six years, except records of liability insurance coverage, which are to be retained an additional six years, and records of environmental liability insurance, which are to be retained for the life of utility.</p> <p>Destroy when superseded, except records of liability insurance, which are to be retained an additional six years, and records of environmental liability insurance, which are to be retained for the life of utility.</p> <p>Destroy when superseded, except records of liability insurance, which are to be retained an additional six years, and records of environmental liability insurance, which are to be retained for the life of utility.</p> <p>Destroy at option, except records of liability insurance, which are to be retained six years, and records of environmental liability insurance, which are to be retained for the life of utility.</p> |
| <p>(21) Injuries and damages:</p> <p>(a) Claim registers, card or book indexes, and similar records in connection with claims presented against the public utility in connection with accidents resulting in damage to the property of others or personal injuries.</p> | <p>Two years after settlement, or at the expiration of any appeal periods, whichever is longer.</p> |

- (b) Papers, reports, statements of witnesses, etc., necessary to the support or rejection of individual claims against the company.
- (c) Other papers, reports, or statements, pertaining to accidents resulting in property damages or personal injuries, not necessary to the support or rejection of claims.
- (d) Detailed schedules or spread-sheets of payments to others for personal injuries or for property damages.

Two years after settlement, or at the expiration of any appeal periods, whichever is longer.

Destroy at option.

Two years after settlement, or at the expiration of any appeal periods, whichever is longer.

OPERATIONS AND MAINTENANCE

(22.1) Production - Electric (non-nuclear):

- (a) Boiler room and turbine room reports of equipment in service and performance.
- (b) Boiler-tube failure and repair/replacement reports.
- (c) Generation and output logs with supporting data.
- (d) Station and system generation reports.
- (e) Load curves, temperature logs, coal, gas, oil, and water logs.
- (f) Gauge-reading reports.
- (g) Recording instrument charts.
- (h) Load dispatcher's and station permits
- (i) Records on any design changes.

Three years.

25 years.

Six years.

25 years.

Three years.

Two years, except river-flow data collected in connection with hydro-operation shall be retained for life of the plant.

One year, except where the basic chart information is transferred to another record, the charts need only be retained six months provided the record containing the basic data is retained one year.

One year, except where the basic chart information is transferred to another record, the charts need only be retained six months provided the record containing the basic data is retained one year.

Life of unit.

(j) Plant incident reports (abnormal occurrences).	Life of a unit.
(k) Records on changes of any operating procedures.	Life of unit.
(l) Records on changes of any preventive maintenance procedures.	Life of unit.
(22.2) Production - Electric (nuclear):	
(a) Records of normal plant operation, including power levels and periods of operations at each power level.	Six years/operating charts for the first three years' operation will be stored for the life of unit.
(b) Records of principal maintenance activities, including inspection, repair, substitution, or replacement of principal items of equipment, including those pertaining to nuclear safety.	Six years/operating charts for the first three years' operation will be stored for the life of unit.
(c) Records of abnormal occurrences.	Six years/operating charts for the first three years' operation will be stored for life of unit.
(d) Records of periodic checks, inspections, and calibrations performed to verify that surveillance requirements are being met.	Six years/operating charts for the first three years' operation will be stored for life of unit.
(e) Steam generator tube failure and repair/replacement reports.	Life of unit.
(f) Records and prints of changes made to the plant as described in the Final Safety Analysis Report, or similar reports required.	Life of unit.
(g) Records of changes made in operating procedures.	Life of unit.
(h) Plant design change records (PDCRs).	Life of unit.
(i) Plant Incident Reports (PIRs).	Life of unit.
(j) Records on changes in preventive maintenance procedures.	Life of unit.
(k) All documents prepared by the public utility, or on its behalf, for the Nuclear Regulatory Commission (NRC) (e.g., Licensee Event reports, Systematic Assessment of Licensee Performance reports, Institute of Nuclear Power evaluation reports).	Life of unit.
(l) All documents prepared by the NRC,	Life of unit.

or on its behalf, for the public utility.

(22.3) Production - Gas:

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| (a) Boiler and gas machine logs, including supporting data. | Three years. |
| (b) Gas generation and output logs with supporting data. | Three years. |
| (c) Temperature and atmospheric pressure logs. | 20 years, unless other weather series are kept for forecasting purposes, in which case three years. |
| (d) Coal, coke, and oil reports. | Three years. |
| (e) Residual reports. | Three years. |
| (f) Recording instrument charts such as pressure (static and/or differential), temperature, specific gravity, hearing value, etc. | One year, except where the basic chart information is transferred to another record, the charts need only be retained six months provided the record containing the basic data is retained one year. |
| (g) Test of heating value at stations and outlying points. | Six years. |
| (h) Records of gas produced, gas purchased, gas sent out, and holder stock. | 20 years, unless other records of sendout are kept for forecasting purposes, in which case six years. |
| (i) Analysis of gas produced and purchased including British Thermal Unit (BTU) and sulphur content. | 20 years, unless other records of analysis are kept for forecasting purposes, in which case six years. |
| (j) Records of general inspection and operating tests. | Three years. |
| (k) Well records, including clearing, bailing, shooting, records; rock pressure; open flow; production, gas analysts' reports, etc. | One year after field or relevant production area abandoned. |
| (l) Gasoline production. | Six years. |
| (m) Gas production by counties. | Destroy at option. |
| (n) Gas measuring records. | One year, except where the basic chart information is transferred to another record, the charts need only be retained six months provided the record containing the basic data is retained one year. |
| (o) Tool record. | For life of equipment. |
| (p) Royalty record. | Six years. |
| (q) Records of meter tests. | Until superseding test, but not less than two years. |

(r) Meter history records.	For life of meter.
(22.4) Production - Water:	
(a) Record of water supplied to distribution system, by sources.	15 years or three years after the source is abandoned, whichever is shorter.
(b) Boiler room, condenser room, turbine room, and pump room logs, including supporting data.	Three years.
(c) Boiler room and turbine room reports of equipment in service and performance.	Three years.
(d) Equipment failure report.	Three years.
(e) Pumping output logs with supporting data.	Six years.
(f) Station output reports.	25 years.
(g) Oil and waste reports.	Five years.
(h) Coal and water logs.	Three years.
(i) Gauge-reading reports.	Three years.
(j) Recording instrument charts.	Three years.
(k) Water quality reports.	Five years.
(23.1) Transmission and distribution - Electric:	
(a) Substation and transmission line logs.	Life of the line.
(b) System operator's daily logs and reports of operation.	Life of the line.
(c) Storage battery and other equipment logs and records.	Three years.
(d) Interruption logs and reports.	Six years.
(e) Records of substation general inspection and operation tests.	Three years.
(f) Apparatus failure reports.	Six years.
(g) Line-trouble reports and records.	Three years.
(h) Lightning and storm data.	Six years.
(i) Insulator test records.	Three years.
(j) Reports on inspections and repairs of all street openings.	Six years.
(k) Records of meter tests.	Most recent test record shall be retained for at least six years, and any prior test record shall be retained for at least two years, or as may be necessary to comply with service rules regarding refunds on fast meters.

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| (l) Meter shop reports (monthly reports summarizing tests, repairs, etc.). | Three years. |
| (m) Meter history records. | For life of meter. |
| (n) Transformer history records. | For life of transformer. |
| (o) Records of transformer inspections, oil tests, etc. | Destroy at option. |
| (p) Pole, tower, structure, equipment, and other history records. | For life of equipment. |
| (q) Board of Fire Underwriters certificates. | Three years. |
| (r) Orders from municipalities in connection with street lighting and traffic signal systems. | Three years |
| (s) Valve record size, location, and operating data. | Life of public utility, unless information is summarized in other records. |

(23.2) Transmission and distribution - Gas:

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| (a) Transmission line logs. | Five years. |
| (b) Transmission and distribution department load dispatching operation logs. | Five years. |
| (c) Service interruption logs and reports. | Six years. |
| (d) Records of general inspection and operating tests. | Three years. |
| (e) Reports on inspections and repairs of all street openings. | Six years. |
| (f) Apparatus failure reports. | Six years. |
| (g) Records of meter tests. | Most recent test record shall be retained for at least seven years, and any prior test record shall be retained for at least two years, or as may be necessary to comply with service rules regarding refunds on fast meters. |
| (h) Meter history records. | For life of meter. |
| (i) Meter shop reports (monthly reports summarizing tests, repairs, etc.). | Three years. |
| (j) Gas measuring records. | Three years. |
| (k) Transmission line operating reports | Three years. |
| (l) Compressor operation and reports. | Three years. |

(m) Gas pressure department reports.	Three years.
(n) Recording instrument charts such as pressure (static and/or differential), temperature, specific gravity, heating value, etc.	One year, except where the basic chart information is transferred to another record, the charts need only be retained six months provided the record containing the basic data is retained one year.
(23.3) Transmission and Distribution - Water:	
(a) Operator's daily logs and reports of operation.	Six years.
(b) Equipment logs and records.	Three years.
(c) Apparatus failure reports.	Six years.
(d) Reports on inspections and repairs of all street openings.	Six years.
(e) Records of meter tests.	Most recent test record shall be retained for at least six years, and any prior test record shall be retained for at least two years, or as may be necessary to comply with service rules regarding refunds on fast meters.
(f) Meter history records.	For life of meter, plus three years.
(g) Pipelines, structures, equipment, and other history records.	For life of equipment.
(h) Meter shop reports (monthly reports summarizing tests, repairs, etc.).	Six years.
(24) Customers' service:	
(a) Reports of inspections of customers' premises.	Two years.
(b) Records and reports of customers' service complaints.	Two years.
(c) Survey of customers' premises to determine type of service and equipment to be installed.	Destroy at option.
(d) Records of installed customers' appliances.	Destroy at option.
(25) Records of auxiliary and other operations:	
(a) Records of operations other than utility operations.	Retain for same periods as prescribed in 220 CMR 75.00 for similar records pertaining to utility operations.

- (26) Maintenance work orders and job orders:
- (a) Authorizations for expenditures for maintenance work to be covered by work orders, including memoranda showing the estimates of costs to be incurred. Six years.
 - (b) Work order sheets to which are posted in detail the entries for labor, material, and other charges in connection with maintenance and other work pertaining to utility operations. Six years.
 - (c) Summaries of expenditures on maintenance and job orders and clearances to operating and other accounts (exclusive of plant accounts). Six years.

PERSONNEL

- (27) Personnel records:
- (a) Employees' service records, length of service, and other pertinent data. Three years after termination of employment.
 - (b) Applications for employment, requests for medical examination, medical examiner's report, photographs, and other identification records, and other miscellaneous records pertaining to the hiring of employees. Destroy at option.
- (28) Employees' benefit and pension records:
- (a) Detailed records showing computations of accruals for pension liabilities. Six years after supersession of the study or report or termination of plan.
 - (b) Pension or annuity payrolls. Six years.
 - (c) Pension paychecks. Three years.
 - (d) Records pertaining to employees' benefit programs. Destroy at option.
- (29) Instructions to employees and others:
- (a) Bulletins or memoranda of general instructions issued by the public utility to employees pertaining to changes in accounting, engineering, operating, maintenance, and Ten years after expiration or supersession.

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| construction policies. | |
| (b) Bulletins or memoranda of general instructions issued by the public utility to employees pertaining to accounting, engineering, operating, maintenance, and construction methods and procedures. | Ten years after expiration or supersession. |
| (c) Notices to employees on matters of discipline, deportment, and other similar subjects. | Destroy at option. |

PLANT AND DEPRECIATION

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| (30) Plant ledgers: | |
| (a) Ledgers of utility plant accounts including land and other detailed ledgers showing the cost of utility plant by classes. | 50 years. |
| (b) Continuing plant inventory ledger, book, or card records showing description, location, quantities, cost, etc., of physical units (or items) of utility plant owned. | Six years after plant is retired, provided mortality data are retained. ⁵ |
| (31) Construction work in progress ledgers work orders, and supplemental records: | |
| (a) Construction work in progress ledgers. | Ten years after clearance to the plant account, provided continuing plant inventory records are maintained; otherwise six years after plant is retired. |
| (b) Work order sheets to which are posted in summary form or in detail the entries for labor, materials, and other charges for utility plant additions and the entries closing the work orders to utility plant in service at completion. | Ten years after clearance to the plant account, provided continuing plant inventory records are maintained; otherwise six years after plant is retired. |
| (c) Authorization for expenditures for additions to utility plant, including memoranda showing the detailed estimates of cost and the bases therefor (including original and revised or subsequent authorizations). | Ten years after clearance to the plant account, provided continuing plant inventory records are maintained; otherwise six years after plant is retired. |

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| <p>(d) Requisitions and registers of authorizations for utility plant expenditures.</p> | <p>Ten years after clearance to the plant account, provided continuing plant inventory records are maintained; otherwise six years after plant is retired.</p> |
| <p>(e) Completion or performance reports showing comparison between authorized estimates and actual expenditures for utility plant additions.</p> | <p>Ten years after clearance to the plant account, provided continuing plant inventory records are maintained; otherwise six years after plant is retired.</p> |
| <p>(f) Analysis or cost reports showing quantities of materials used, unit costs, number of man-hours, etc., in connection with completed construction project.</p> | <p>Ten years after clearance to the plant account, provided continuing plant inventory records are maintained; otherwise six years after plant is retired.</p> |
| <p>(g) Records and reports pertaining to progress of construction work, the order in which jobs are to be completed, and similar records that do not form a basis of entries to the accounts.</p> | <p>Destroy at option.</p> |
| <p>(h) Well-drilling logs and well-construction records.</p> | <p>One year after field or relevant production area abandoned.</p> |
| <p>(32) Retirement work in progress ledgers, work orders, and supplemental records:</p> | |
| <p>(a) Work order sheets to which are posted the entries for removal costs, materials recovered, and credits to utility plant accounts for cost of plant retired.</p> | <p>Ten years after plant is retired provided mortality data are retained.⁵</p> |
| <p>(b) Authorizations for retirement of utility plant, including memoranda showing the basis for determination of cost of plant to be retired and estimates of salvage and removal costs.</p> | <p>Ten years after clearance to the plant account, provided continuing plant inventory records are maintained; otherwise six years after plant is retired.</p> |
| <p>(c) Registers of retirement work orders.</p> | <p>Ten years.</p> |
| <p>(33) Summary sheets, distribution sheets, reports, statements, and papers directly supporting debits and credits to utility plant accounts not covered by construction or retirement work orders</p> | |
| | <p>Ten years after clearance to the plant account, provided continuing plant inventory records are maintained; otherwise six years after plant is retired.</p> |

and their supporting records.

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| (34) Appraisals and valuations:
Appraisals and valuations made by the public utility of its properties or investments or of the properties or investments of any affiliated companies (includes all records essential thereto) | Three years after disposition, termination of lease, or write-off of property or investment. |
| (35) Maps and map reproductions:
(a) Geological maps and aerial photographs of field showing the location and physical characteristics of production, transmission and distribution systems of the public utility. | Until map is superseded or six years after plant is retired, provided mortality data are retained. ⁵ |
| (36) The original or reproductions of engineering records, drawings, and other supporting data for proposed as constructed utility facilities:
(a) Maps, diagrams, profiles, plans, photographs, records of engineering studies, and similar records in connection with proposed construction projects:
1. If construction of project results wholly or in part.
years after plant is
2. If construction of project does not result. | Until record is superseded or six years after plant is retired. ⁵

Destroy at option after completely accounting for expenses incurred. |
| (37) Contracts and other agreements relating to utility records:
(a) Contracts relating to acquisition or sale of plant.
(b) Contracts and other agreements relating to services performed in connection with construction of utility plant (including contracts for the construction of plant by others for the public utility for supervision and engineering relating to construction work).
(c) The primary records of gas acreage | Six years after plant is retired

Six years after plant is retired.

Six years after rights to the gas |

owned, leased, or optioned excluding deeds and leases but including such records as lease sheets, leasehold cards, and option agreements.

acreage have expired or otherwise resolved.

- (38) Records pertaining to reclassifications of utility plant accounts to conform to prescribed systems of accounts, including supporting papers showing the bases for such reclassifications.

Six years.

- (39) Records of accumulated provisions for depreciation and depletion of utility plant and supporting computation of expense:

- (a) Detailed records or analysis sheets segregating the accumulated depreciation according to functional classification of plant.
- (b) Records supporting computation of depreciation and depletion expense of utility plant, including such data as life and salvage studies.

Life of plant, plus two years.

Life of plant, plus two years.

PURCHASE AND STORES

- (40) Procurements:

- (a) Agreements entered into for the acquisition of goods or the performance of services. Includes all forms of agreements not specifically set forth in Item 7 such as, but not limited to, letters of intent, exchange of correspondence, master agreements, term contracts, rental agreements, and the various types of purchase orders:

1. For goods or services relating to plant construction.

Six years.

2. For other goods or services.

Six years.

- (b) Supporting documents including accepted and unaccepted bids or proposals (summaries of unaccepted bids or proposals may be in lieu of originals) evidencing all relevant elements of the procurement.

Six years.

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| <p>(c) All other procurement records such as requisitions, advice from suppliers, registers, or similar records of invoices.</p> | <p>Destroy at option after completion of annual audit by independent accountants.</p> |
| <p>(41) Material ledgers:</p> | |
| <p>(a) Ledger sheets of materials and supplies received, issued, and on hand.</p> | <p>Six years.</p> |
| <p>(b) Statements of materials and supplies on hand, per ledgers.</p> | <p>Destroy at option after completion of annual audit by independent accountants.</p> |
| <p>(42) Materials and supplies received and issued:</p> | |
| <p>(a) Records and reports pertaining to receipt of materials and supplies.</p> | <p>Destroy at option after completion of annual audit by independent accountants.</p> |
| <p>(b) Records of inspecting and testing materials and supplies.</p> | <p>Destroy at option.</p> |
| <p>(c) Records showing the detailed distribution of materials and supplies issued during accounting periods.</p> | <p>Six years.</p> |
| <p>(d) Records of material issued, transferred, or returned to stock:</p> <ol style="list-style-type: none"> 1. Showing quantities, unit prices, and accounts to be charged. 2. Showing only quantities and accounts to be charged. | <p>Six years.</p> |
| <p>(e) Minor records and reports pertaining to materials and supplies not involving costs or final disposition, such as reports of unfilled requisitions, authorizations for additions to stock, and similar records; also storeroom copies of purchase orders and price records, other copies being retained in files of purchasing department.</p> | <p>Destroy at option if the basic information contained thereon is transferred to other records.
Destroy at option.</p> |
| <p>(43) Records of sales of scrap and materials and supplies:</p> | |
| <p>(a) Authorization for sale of scrap and materials and supplies.</p> | <p>Three years.</p> |
| <p>(b) Contracts for sale of scrap and</p> | <p>Three years.</p> |

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| materials and supplies. | |
| (c) Memoranda pertaining to sale of scrap and materials and supplies. | Destroy at option. |
|
(44) Inventories of materials and supplies: | |
| (a) General inventories of materials and supplies on hand with records of adjustments of accounts required to bring stores records into agreement with physical inventories. | Destroy at option after completion of annual audit by independent accountants. |
| (b) Stock cards, inventory cards, and other detailed records pertaining to the taking of inventories if abstracted into records covered by 220 CMR 75.05(44)(a). | Destroy at option. |
| (c) Minor inventories of materials and supplies on hand if not reflected in adjustments of accounts. | Destroy at option. |

REVENUE ACCOUNTING AND COLLECTING

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| (45) Customers' service applications and contracts: | |
| (a) Applications for utility service for which contracts have been executed. | Destroy at option. |
| (b) Applications for utility service used in lieu of contracts. | One year. |
| (c) Contracts and card files or other records thereof with customers for service (see also 220 CMR 75.05(7)(b)). | One year after expiration or cancellation. |
| (d) Applications for utility service that were withdrawn by applicant or not granted by the public utility. | One year. |
| (e) Contracts or sales agreements with customers and others for sale of merchandise and appliances. | One year after sales agreement is discharged. |
| (f) Contracts for lease of equipment to customers, including receipts for same. | One year after expiration of contract or return of equipment. |
| (g) Applications and contracts for extensions covered by refundable deposits or guarantees of revenue; also records pertaining to such contracts. | One year after entire amount is refunded. |

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| (h) Contracts for extensions of services for which contributions are made by customers or others. | 50 years. |
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| (46) Rate schedules: | |
| (a) General files of published rate sheets and schedules of utility service (including schedules suspended or superseded). | 50 years. |
| (b) Divisional or local office copies of rate sheets and schedules of utility service. | One year after expiration or cancellation. |
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| (47) Customers' guarantee deposits: | |
| (a) Customers' deposit ledgers or card records. | Six years after refund. |
| (b) Customers' deposit certificate books. | Six years after refund. |
| (c) Receipts for customers' deposits refunded. | Six years after refund. |
| (d) Receipts for interest on customers' deposits. | Six years after refund. |
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| (48) Meter reading sheets and records: | |
| (a) Superseded meter reading sheets. | Two years or as may be necessary to comply with service rules regarding refunds on fast meters. |
| (b) Meter reread sheets (<i>i.e.</i> , special readings to check high or low consumption). | One year. |
| (c) Customers' reading cards. | One year. |
| (d) Connection and disconnection orders. | One year. |
| (e) Superseded indexes to meter books. | Destroy at option. |
| (f) Mark sensed meter reading cards. | Destroy at option after transferring data to other record. |
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| (49) Maximum demand, pressure, temperature and specific gravity charts, and demand meter record cards. | One year, except where the basic chart information is transferred to another record the charts need only be retained six months, provided the record containing the basic data is retained one year. |
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- (50) Miscellaneous billing data:
- (a) Billing department's copies of contracts with customers (in addition to contracts in general files). Destroy at option.
 - (b) Service and inspection orders from which customers are charged and sundry charge advices. One year.
 - (c) Authorizations for charges under utility service contracts. One year after expiration of contract.
 - (d) Standard billing sheets or schedules (showing computed bills of varying consumption according to rates). Destroy at option.
- (51) Revenue summaries:
- (a) Summaries of monthly operating revenues according to classes of service for entire public utility. Six years.
 - (b) Summaries of monthly operating revenues according to classes of service by towns, districts, or divisions (including summaries of forfeited discounts and penalties.) Six years.
- (52) Customers' ledgers and other records used in lieu thereof:
- (a) Customers' ledgers. Two years or as may be necessary to comply with service rules regarding refunds on fast meters.
 - (b) Records used in lieu of customers' ledgers, such as bill summaries, registers, bill stubs, etc. Two years or as may be necessary to comply with service rules regarding refunds on fast meters.
 - (c) Copies of large bills:
 - 1. If details are transcribed to ledgers covered by 220 CMR 75.05(52)(a). Destroy at option.
 - 2. If details are not transcribed to ledgers. Two years.
 - (d) Trial balances of ledgers referred to above. One year.
 - (e) Indexes to customers' accounts. Two years.
 - (f) Change of address notices. Destroy at option.
 - (g) Cards and other records relating to forfeited discounts. Two years.

- (53) Merchandise sales - accounting and collecting:
- (a) Merchandise sales tickets (duplicates) and charge slips for work done. Destroy at option after annual audit and six months after account is settled.
 - (b) Merchandise registers and summaries of sales. Three years.
 - (c) Merchandise ledgers and installment records. One year after completion of payments.
 - (d) Merchandise sales returns and adjustment records. Destroy at option after annual audit and six months after account is settled.
 - (e) Cashiers' stubs for merchandise collections. Six months.
 - (f) Cashiers' periodic reports and statements of collection on merchandise accounts. One year.
 - (g) Records of monthly statements to customers. Destroy at option.
 - (h) Reports relating to status of merchandise accounts receivable. One year.
 - (i) Job orders and supporting details of charges to customers for work done. Three years.
 - (j) Indexes and trial balances of merchandised ledgers. One year.
- (54) Collection reports and records:
- (a) Periodic reports, lists, and summaries of collections of operating revenues by collectors, agents, and local or divisional or district offices (see 220 CMR 75.05(60)(d)). Destroy at option.
 - (b) Bill stubs, copies of bills, collection slips, and other records pertaining to collections, summarized or detailed in daily or periodic cash reports. Six months.
 - (c) Memorandum records of remittances from local or branch offices (see 220 CMR 75.05(59), which applies to all bank accounts whether at general, local, or divisional offices). Six months.
- (55) Customers' account adjustments:
- (a) Detailed records pertaining to Two years.

- adjustments of customers' accounts for overcharges, undercharges, and other errors, results of which have been transcribed to other records.
- (b) Detailed records of high-bill complaints whether or not resulting in adjustments to customers' accounts. Two years.
- (56) Uncollectible accounts and customers' credit records:
- (a) Records of ratings, credit classifications, and investigations of customers. Destroy at option.
- (b) Ledger accounts and supporting details of customers' accounts considered to be uncollectible. For period legally collectible.
- (c) Reports and statements showing age and status of customers' accounts. One year.
- (d) Data on unpaid final bills. One year.
- (e) Authorizations for writing off customers' accounts. Three years.

TAX

- (57) Tax records:
- (a) Copies of returns and schedules filed with taxing authorities, supporting work papers, records of appeals, tax bills, and receipts for payment (see 220 CMR 75.05(15)(b)) for vouchers evidencing disbursements):
1. Federal income tax returns. Seven years after settlement.
 2. State income and property tax returns. Seven years after settlement.
 3. Sales and use taxes. Three years.
 4. Other taxes. Two years after settlement.
 5. Agreements between affiliate companies as to allocation of consolidated income taxes. Two years after settlement.
 6. Schedule of allocation of consolidated federal income taxes among affiliate companies. Seven years after settlement.
- (b) Summaries of taxes paid. Destroy at option.
- (c) Filings with taxing authorities to qualify employee benefit plans. Seven years after settlement of federal return or discontinuance of

- (d) Information returns and reports to taxing authorities

plan, whichever is later.
Three years, or for the period of any extensions granted for audit.

TREASURY

(58) Statements of funds and deposits:

- (a) Summaries and periodic statements of cash balances on hand and with depositories.
- (b) Statements of managers' and agents' cash balances on hand and with depositories.
- (c) Authorizations for and statements of transfer of funds from one depository to another.
- (d) Requisitions and receipts for funds furnished managers, agents, and others.
- (e) Records of fidelity bonds of employees and others responsible for funds of the public utility.
- (f) Reports and estimates of funds required for general and special purposes.

Destroy at option.

Destroy at option.

Destroy at option.

Destroy at option after funds have been returned or accounted for.

Destroy at option after liability of bonding company has expired.

Destroy at option.

(59) Records of deposits with banks and others:

- (a) Copies of bank deposit slips.
- (b) Advice of deposits made when information thereon is shown on other records that are retained.
- (c) Statements from depositories showing the details of funds received, disbursed, transferred, and balances on deposit.
- (d) Bank reconciliation papers.
- (e) Statements from banks of interest credits.
- (f) Check stubs, registers, or other

Destroy at option after completion of annual audit by independent accountants.

Destroy at option after completion of annual audit by independent accountants.

Destroy at option after completion of annual audit by independent accountants.

Destroy at option after completion of annual audit by independent accountants.

Destroy at option after completion of annual audit by independent accountants.

Six years.

- records of checks issued.
- (g) Correspondence and memoranda relating to the stopping of payment of bank checks and to the issuance of duplicate checks. Six years or destroy at option after check is recovered.
- (60) Records of receipts and disbursements:
- (a) Daily or other periodic statements of receipts or disbursements of funds. Destroy at option after completion of annual audit by independent accountants.
 - (b) Records of periodic statements of outstanding vouchers, checks, drafts etc., issued and not presented. Destroy at option after completion of annual audit by independent accountants.
 - (c) Reports of affiliates showing working fund transactions and and summaries thereof. Destroy at option after completion of annual audit by independent accountants.
 - (d) Reports of revenue collections by field cashiers, pay stations, etc. Destroy at option after completion of annual audit by independent accountants.

MISCELLANEOUS

- (61) Statistics and miscellaneous:
- (a) Annual financial, operating, and statistical reports regularly prepared in the course of business for internal administrative or operating purposes (and not used as the basis for entries to accounts of the public utilities concerned) to show the results of operations and the financial condition of the public utility. Ten years after date of report.
 - (b) Quarterly, monthly, or other periodic financial, operating, and other statistical reports as above. Two years after date of report.
 - (c) All other statistical reports (not covered elsewhere in these regulations) prepared for internal administrative or operating purposes only and not used as the basis for entries to the accounts of the public utility. Destroy at option.
- (62) Budgets and other forecasts (prepared for internal administrative or operating purposes) of estimated Three years.

future income, receipts, and expenditures in connection with financing, construction, and operations and acquisitions or disposals of properties or investments by the public utility and its affiliate companies, including revisions of such estimates and memoranda showing reasons for revisions; also records showing comparison of actual income and receipts and expenditures with estimates.

(63) Correspondence:

- (a) Correspondence and indexes thereto relating to offices covered by other items of 220 CMR 75.00.
- (b) Stenographers' notebooks and dictaphone or other mechanical device records.
- (c) Mailing lists of prospects for appliance sales, securities, etc.

Retain for the period prescribed for the item to which it relates where necessary to a proper explanation of same.

Destroy at option.

Destroy at option.

(64) Records of predecessors and former affiliates.

Retain until the records of utility plant acquired have been integrated with the public utility's plant records and the original cost of the acquired plant is adequately supported by cost details and until it is ascertained that such records are not necessary to fulfillment of any unsatisfied regulatory requirement, such as: (a) approval and recording of accounting adjustments resulting from reclassification and original cost studies and acceptance of property acquisition journal entries, (b) cost, depreciation, and amortization reserve determinations for plant, and (c) establishment of continuing plant inventory records or accounting evidence of the cost of long-lived property in the absence of such continuing plant inventory records.

- (65) Reports to federal and state regulatory agencies:
- (a) Annual financial, operating, and statistical reports. Life of public utility.
 - (b) Monthly and quarterly reports of operating revenues, expenses, and statistics. Two years after date of report.
 - (c) Special or periodic reports on the following subjects:
 - 1. Transactions with affiliated companies. Six years.
 - 2. Budgets of expenditures. Three years.
 - 3. Accidents. Six years.
 - 4. Employees and wages. Five years.
 - 5. Loans to officers and employees. Three years after fully paid.
 - 6. Issues of securities. Data filed with the Securities and Exchange Commission retain 25 years or until all securities covered are retired, whichever is shorter; other reports retain until securities covered are retired.
 - 7. Purchases and sales, utility properties. Life of public utility.
 - 8. Plant changes -- units added and retired. Life of public utility.
 - 9. Service interruptions. Six years.
 - (d) Cost of service reports filed under section 133 of the Public Utility Regulatory Policies Act (PURPA). Five years.
(See 18 CFR Part 290.)
- (66) Other miscellaneous records:
- (a) Copies of advertisements by the public utility on behalf of itself or any affiliate company in newspapers, magazines, and other publications including records thereof (excluding advertising of product, appliances, employment opportunities, services, territory, route notices, and invitations for bids for securities, all of which may be destroyed at option). Six years.
 - (b) Indexes of forms used by public utility. Destroy when superseded.

NOTES

1. For the purpose of 220 CMR 75.00, a stockholder's account may be treated as a closed account at the time that such stockholder ceases to be a holder of record of the particular class and series of stock of the company, and the six-year retention period prescribed herein shall run from that date. If such person subsequently acquires shares of capital stock of the company and thus again becomes a stockholder of the company, the record of such acquisition shall be treated as a new stockholder account.
2. The terms "bonds" and "debentures," as used in 220 CMR 75.00, shall include all debt securities, such as bonds, debentures, or notes other than debt securities that evidence temporary borrowings and that are expected to be repaid out of the proceeds of the sale of longer term securities. Typical of such temporary debt securities would be notes issued to banks evidencing temporary working capital and construction loans.
3. Canceled bonds and debentures and paid interest coupons pertaining thereto may be destroyed, provided that a certificate of destruction giving full descriptive reference to the documents destroyed shall be made by the person or persons authorized to perform such destruction and shall be retained by the company for the period herein prescribed. The certificate of destruction evidencing the destruction of paid interest coupons pertaining to bonds or debentures need not contain a listing of the bond or debenture serial numbers pertaining to such paid interest coupons. When documents represent debt secured by mortgage, the certificate of destruction also shall be authorized by a representative of the trustee(s) acting in conjunction with the person or persons destroying the documents or shall have the trustee(s) acceptance thereon. The certificate of destruction above described may be destroyed six years after the payment and discharge of the bonds or debentures or interest coupons described in such certificate.
4. If a retention period is prescribed elsewhere in 220 CMR 75.05 with respect to any document that is included as an exhibit to any filing retained pursuant to the requirements of this item, the company need retain only one copy of such document in its files provided appropriate cross references are established.
5. Life or mortality study data for depreciation purposes shall be retained for the life of the unit, plus two years.

REGULATORY AUTHORITY

220 CMR 75.00: M.G.L. c. 164, §§ 76C, 80, 81, 85.

**Attorney General
Second Set of Information Requests**

**THE BERKSHIRE GAS COMPANY
D.T.E. 06-27**

Witness: Jennifer M. Boucher
Date: May 12, 2006

Question

AG-2-7: Please refer to DTE 1- 6 Attachment b. The Canadian gas supply contract was terminated on Oct. 11. What year? What gas supply contract does this response refer to and provide a copy of that contract or state all of the contract terms if the contract is oral.

Response: The Canadian gas supply contract termination referenced in Attachment DTE 1-6(b) occurred in 2004. The Company was advised that the plant operator's then current gas supply contract was terminated. The Company is not aware which gas supply contract this response refers, the Company does not have a copy of that contract, nor does it have the ability to get a copy of a contract between the two parties. Please refer to the Company's response to Information Request AG-2-17.

**Attorney General
Second Set of Information Requests**

**THE BERKSHIRE GAS COMPANY
D.T.E. 06-27**

Witness: Jennifer M. Boucher
Date: May 12, 2006

Question

AG-2-8: Please refer to the response to AG-1-18 (Zink Memorandum). What evidence does the Company have that "Tennessee followed all the proper posting procedures?" When was the capacity posted? Does the Company or BP, as part of its alliance with Berkshire, monitor the posting of capacity? If yes, how frequently? Describe all monitoring activities.

Response: Please refer to Attachment AG-1-22(a) for a copy of the notification to FERC of the agreement between Tennessee Gas Pipeline ("TGP") and Coral Energy Resources, L.P. ("Coral") dated November 15, 2004. The Tennessee filing letter indicates that the plant operator "permanently released the Pittsfield negotiated rate agreement to Coral pursuant to the capacity release provisions of Tennessee's FERC Gas Tariff." Tennessee's terms and conditions (Section 11.0) implement the requirement of 18 CFR §284.8(b) that firm supplier must be permitted to permanently release their capacity. This fact was confirmed in discussions with Tennessee representatives. Also, please refer to Attachment-1-22(b) where the order approving this agreement makes this same finding. See Footnote 1. Please refer to Attachment AG-2-8(a) for a copy of Tennessee's filing of an FT-A agreement and the underlying contract between Tennessee and Pittsfield Generating as of August 1, 2002. This agreement replaced a previous NET-284 agreement as described on page 2 of AG-2-8(a). The Company was aware that FT-A agreements incorporated the General Terms and Conditions of Tennessee's FERC Gas Tariff which include provisions on capacity release. Attachment AG-2-8(b) is a copy of the FERC order approving the FT-A filing. Thus, the plant operator's permanent release of Tennessee capacity was permissible by contract, tariff and FERC regulation. In addition, by way of confirmation, 18 CFR §284.13(c)(1) requires pipelines such as Tennessee to periodically file with the FERC an "index of all its firm transportation . . . customers under contract" (emphasis added). This information must also be made available at its website. Tennessee publishes its Customer Index at <>. This list demonstrates that neither Pittsfield Generating nor Altresco has a transportation customer "under contract." Conversely, the current list identifies Coral as a customer for the capacity to the Bousquet meter station. The Company periodically monitors the posting of capacity on Passkey (the TGP bulletin board), especially if it is in need of additional capacity. BP does not monitor the posting of capacity on behalf of Berkshire.

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FEDERAL ENERGY
REGULATORY COMMISSION

July 1, 2002

ORIGINAL

Ms. Magalie Roman Salas, Secretary
Federal Energy Regulatory Commission
888 First Street, NE
Washington, DC 20426

Re: Tennessee Gas Pipeline Company
Negotiated Rate Tariff Filing
Docket No. RP96-312-XXX 081

Dear Ms. Salas:

Pursuant to Section 4 of the Natural Gas Act ("NGA"), Part 154 of the Regulations of the Federal Regulatory Commission ("Commission"), 18 C.F.R. Part 154, Tennessee Gas Pipeline Company ("Tennessee") hereby tenders for filing and acceptance an original and five (5) copies of the following in the attached Appendix A: (1) a copy of contract number 40274, a Gas Transportation Agreement between Tennessee and Pittsfield Generating Company, L. P.¹ ("Pittsfield") pursuant to Tennessee's Rate Schedule FT-A ("FT-A Agreement")² and (2) a copy of the June 18, 2002 Firm Transportation Negotiated Rate Letter Agreement entered into between Tennessee and Pittsfield ("Negotiated Rate Agreement"). The filed FT-A Agreement and the Negotiated Rate Agreement reflect a negotiated rate arrangement between Tennessee and Pittsfield to be effective August 1, 2002 ("Negotiated Rate Arrangement").

For the reasons stated below, Tennessee requests that the Commission accept and approve the Negotiated Rate Arrangement to be effective August 1, 2002.

Statement of Nature, Reasons and Basis For the Filing

On August 30, 1996, in Docket No. RP96-312-000, the Commission approved, subject to conditions, Tennessee's July 16, 1996 tariff filing authorizing Tennessee to charge negotiated rates for its transportation and storage services. Tennessee Gas Pipeline Company, 76 FERC ¶ 61,224, order on reh'g, 77 FERC ¶ 61,215 (1996). Tennessee made its negotiated rate filing pursuant to the Commission's Policy Statement which the Commission issued on January 31,

¹ Pittsfield Generating Company, L. P. was formerly known as Altresco Pittsfield, L. P.

² Tennessee provides for an entirely paperless, electronic contract system. The filed FT-A Agreement represents a "hard copy" replica of the electronic FT-A Agreement that will be executed on-line by SHIPPER upon approval of this Negotiated Rate Arrangement.

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1996.³ Both the Policy Statement and the orders approving Tennessee's negotiated rate option require Tennessee, when implementing a negotiated rate contract, to file either the contract or tariff sheets identifying and describing the transaction. Tennessee Gas Pipeline Company, 77 FERC at 61,877; Policy Statement, 74 FERC at 61,241. With regard to the requirements for negotiated rate filings, the Commission has stated, "in any pipeline filing of a negotiated rate agreement, any other agreement, understanding, negotiation or consideration linked to the agreement must be disclosed by the pipeline's filing." Columbia Gulf Transmission Company, 85 FERC ¶ 61,373 at 62,424 (1998) ("Columbia Gulf").

Tennessee now seeks to implement the Negotiated Rate Arrangement by filing the Negotiated Rate Arrangement (FT-A Agreement and Negotiated Rate Agreement) via the negotiated rate agreement alternative authorized by the orders approving Tennessee's negotiated rate authority and the Policy Statement. The FT-A Agreement and the Negotiated Rate Agreement provide the following information: (1) exact legal name of the shipper; (2) the total charges (the negotiated rate and all applicable charges); (3) the receipt and delivery points; (4) the volume of gas to be transported; and (5) the applicable rate schedule for the service. Consistent with Columbia Gulf, the FT-A Agreement and the Negotiated Rate Agreement fully disclose the essential conditions involved in the negotiated rate transaction, including a specification of all consideration.⁴ In addition, in accordance with the orders approving Tennessee's negotiated rate option, Tennessee will keep its negotiated rate information in such form that it can be filed, separately identified, and separately totaled as part of and in the format of Statements G, I and J in Tennessee's future Section 4 rate case filings. Finally, consistent with the Policy Statement, Tennessee is willing to make the Negotiated Rate Arrangement available to similarly situated shippers on a not unduly discriminatory basis.

The capacity underlying this Negotiated Rate Arrangement is capacity that is currently held by Pittsfield under Service Package No. 31364, a firm transportation agreement under Tennessee's Rate Schedule NET 284. In consideration of the Negotiated Rate Arrangement, Pittsfield has agreed to convert its Rate Schedule NET 284 contract to service under Rate Schedule FT-A. Although Rate Schedule NET 284 provides open access transportation, it is similar in some respects to Part 157 service in that the service is separately administered from Tennessee's other Part 284 transportation services and each NET 284 shipper is individually listed under the rate schedule in Tennessee's tariff. Given NET 284's status as a special service (neither Part 157 nor fully Part 284), Tennessee is converting Pittsfield's service in a similar fashion to the requirements of 18 C.F.R. § 157.217 of the Commission's regulations ("Section 217").⁵ That is, there will be no change in the underlying capacity that is being converted to the

³ Statement of Policy on Alternatives to Traditional Cost-of-Service Ratemaking for Natural Gas Pipelines and Regulation of Negotiated Transportation Services of Natural Gas Pipelines, 74 FERC ¶ 61,076 (1996) ("Policy Statement").

⁴ The terms of the Negotiated Rate Arrangement are contained in the Negotiated Rate Letter. The FT-A Agreement is based on Tennessee's standard pro forma agreement and does not contain any terms that materially deviate from the pro forma agreement contained in Tennessee's Tariff.

⁵ 18 C.F.R. § 157.217 (2001). See Revisions of Existing Regulations Under Part 157 and Related Sections of the Commission's Regulations Under the Natural Gas Act, Order No. 603, 64 Fed. Reg. 26571 (May 14, 1999),

Ms. Magalie Roman Salas
July 1, 2002
Page 3

FT-A Agreement; Pittsfield will take service under Rate Schedule FT-A consistent with the terms of the effective rate schedule; Tennessee will waive the tariff requirements for posting of the capacity; and Tennessee will file to remove Pittsfield's name from Rate Schedule NET 284 upon approval of this Negotiated Rate Arrangement.⁶

Material Enclosed

In accordance with 18 C.F.R. §154.7(a)(1), Tennessee states that the following items are included in this filing:

- (1) the instant transmittal letter;
- (2) paper copies of the FT-A Agreement and the Negotiated Rate Agreement under Appendix A;
- (3) a form of notice suitable for publication in the Federal Register in accordance with 18 C.F.R. § 154.209; and
- (4) an electronic version of the Federal Register Notice on a 3½-inch diskette.

Service and Correspondence

The undersigned certifies that a copy of this filing has been mailed to each of Tennessee's customers and affected state regulatory commissions. The names, titles and mailing address of the persons to whom correspondence and communications concerning this filing should be directed are as follows:

*Marguerite N. Woung-Chapman
General Counsel
Tennessee Gas Pipeline Company
9 E Greenway Plaza
Houston, TX 77046
(832) 676-7329
(832) 676-1733 (Fax)

Jake Hiatt, Vice President
Rates and Regulatory Affairs
*H. Milton Palmer, Director
Rates and Regulatory Affairs
Tennessee Gas Pipeline Company
9 E Greenway Plaza
Houston, TX 770046
(832) 676-3010
(832) 676-2231 (fax)

FERC Statutes and Regulations ¶ 31, 073 at pp. 30,810-11 (Apr. 29, 1999); order on reh'g., Order No. 603-A, 64 FR 54522 (Oct. 7, 1999), FERC Stats. & Reg. Regulations Preambles ¶ 31,081 (Sept. 29, 1999); order on reh'g., Order No. 603-B, 65 FR 11462 (Mar. 3, 2000), FERC Stats. & Reg. Regulations Preambles ¶ 31,094 (Feb. 28, 2000).

⁶ Upon approval of the Negotiated Rate Arrangement, Tennessee will immediately file a revised Tariff Sheet No. 220A which will remove SHIPPER from Rate Schedule NET 284.

Ms. Magalie Roman Salas
July 1, 2002
Page 4

*G. Mark Cook
Associate General Counsel
El Paso Corporation
555 11th St., NW, Suite 750
Washington, D. C. 20004
(202) 637-3542
(202) 637-3537 (Fax)

*Michael D. Moore, Director
Federal Agency Affairs
El Paso Corporation
555 11th St., NW, Suite 750
Washington, D. C. 20004
(202) 637-3543
(202) 637-3537 (Fax)

("Persons designated for service in accordance with Rule 203 of the Commission's Rules of Practice and Procedure, 18 C.F.R. § 395.203.) Tennessee requests that the Commission waive Rule 203(b)(3) to allow four persons to be designated to receive service.)

Effective Date

Tennessee respectfully requests that the Commission grant all waivers of its regulations necessary to accept this filing and approve the Negotiated Rate Arrangement to be effective August 1, 2002. An effective date of August 1, 2002 is consistent with the Commission's policy of permitting negotiated rates to be effective as early as the filing date of the proposed negotiated rate. Koch Gateway Pipeline Company, 79 FERC ¶ 61,323 at 62,422 (1997).

Any questions regarding this filing may be directed to the undersigned at (832) 676-7329.

Respectfully submitted,

TENNESSEE GAS PIPELINE COMPANY


Marguerite N. Young-Chapman
General Counsel

GAS TRANSPORTATION AGREEMENT
(For Use under FT-A Rate Schedule)

THIS AGREEMENT is made and entered into as of the 1 day of August, 2002, by and between TENNESSEE GAS PIPELINE COMPANY, a Delaware Corporation, hereinafter referred to as "Transporter" and PITTSFIELD GENERATING COMPANY L.P., a DELAWARE Limited Partnership, hereinafter referred to as "Shipper." Transporter and Shipper shall collectively be referred to herein as the "Parties."

ARTICLE I - DEFINITIONS

- 1.1 **TRANSPORTATION QUANTITY** - shall mean the maximum daily quantity of gas which Transporter agrees to receive and transport on a firm basis, subject to Article II herein, for the account of Shipper hereunder on each day during each year during the term hereof, which shall be 31500 dekatherms. Any limitations on the quantities to be received from each Point of Receipt and/or delivered to each Point of Delivery shall be as specified on Exhibit "A" attached hereto.
- 1.2 **EQUIVALENT QUANTITY** - shall be as defined in Article I of the General Terms and Conditions of Transporter's FERC Gas Tariff.

ARTICLE II - TRANSPORTATION

Transportation Service - Transporter agrees to accept and receive daily on a firm basis, at the Point(s) of Receipt from Shipper or for Shipper's account such quantity of gas as Shipper makes available up to the Transportation Quantity, and to deliver to or for the account of Shipper to the Point(s) of Delivery an Equivalent Quantity of gas.

ARTICLE III - POINT(S) OF RECEIPT AND DELIVERY

The Primary Point(s) of Receipt and Delivery shall be those points specified on Exhibit "A" attached hereto.

ARTICLE IV

All facilities are in place to render the service provided for in this Agreement.

ARTICLE V - QUALITY SPECIFICATIONS AND STANDARDS FOR MEASUREMENT

For all gas received, transported and delivered hereunder the Parties agree to the Quality Specifications and Standards for Measurement as specified in the General Terms and Conditions of Transporter's FERC Gas Tariff Volume No. 1. To the extent that no new measurement facilities are installed to provide service hereunder, measurement operations will continue in the manner in which they have previously been handled. In the event that such facilities are not operated by Transporter or a downstream pipeline, then responsibility for operations shall be deemed to be Shipper's.

ARTICLE VI - RATES AND CHARGES FOR GAS TRANSPORTATION

- 6.1 **TRANSPORTATION RATES** - Commencing upon the effective date hereof, the rates, charges, and surcharges to be paid by Shipper to Transporter for the transportation service provided herein shall be in accordance with transporter's Rate Schedule FT-A and the General Terms and Conditions of Transporter's FERC Gas Tariff. Except as provided to the contrary in any written or electronic agreement(s) between Transporter and Shipper in effect during the term of this Agreement, Shipper shall pay Transporter the applicable maximum

rate(s) and all other applicable charges and surcharges specified in the Summary of Rates in Transporter's FERC Gas Tariff and in this Rate Schedule. Transporter and Shipper may agree that a specific discounted rate will apply only to certain volumes under the agreement. Transporter and Shipper may agree that a specified discounted rate will apply only to specified volumes (MDQ, TQ, commodity volumes, Extended Receipt and Delivery Service Volumes or Authorized Overrun volumes) under the Agreement; that a specified discounted rate will apply only if specified volumes are achieved (with the maximum rates applicable to volumes above the specified volumes or to all volumes if the specified volumes are never achieved); that a specified discounted rate will apply only during specified periods of the year or over a specifically defined period of time; and/or that a specified discounted rate will apply only to specified points, zones, markets or other defined geographical area. Transporter and Shipper may agree to a specified discounted rate pursuant to the provisions of this Section 6.1 provided that the discounted rate is between the applicable maximum and minimum rates for this service.

- 6.2 **INCIDENTAL CHARGES** - Shipper agrees to reimburse Transporter for any filing or similar fees, which have not been previously paid for by Shipper, which Transporter incurs in rendering service hereunder.
- 6.3 **CHANGES IN RATES AND CHARGES** - Shipper agrees that Transporter shall have the unilateral right to file with the appropriate regulatory authority and make effective changes in (a) the rates and charges applicable to service pursuant to Transporter's Rate Schedule FT-A, (b) the rate schedule(s) pursuant to which service hereunder is rendered, or (c) any provision of the General Terms and Conditions applicable to those rate schedules. Transporter agrees that Shipper may protest or contest the aforementioned filings, or may seek authorization from duly constituted regulatory authorities for such adjustment of Transporter's existing FERC Gas Tariff as may be found necessary to assure Transporter just and reasonable rates.

ARTICLE VII - BILLINGS AND PAYMENTS

Transporter shall bill and Shipper shall pay all rates and charges in accordance with Articles V and VI, respectively, of the General Terms and Conditions of the FERC Gas Tariff.

ARTICLE VIII - GENERAL TERMS AND CONDITIONS

This Agreement shall be subject to the effective provisions of Transporter's Rate Schedule FT-A and to the General Terms and Conditions incorporated therein, as the same may be changed or superseded from time to time in accordance with the rules and regulations of the FERC.

ARTICLE IX - REGULATION

- 9.1 This Agreement shall be subject to all applicable and lawful governmental statutes, orders, rules and regulations and is contingent upon the receipt and continuation of all necessary regulatory approvals or authorizations upon terms acceptable to Transporter. This Agreement shall be void and of no force and effect if any necessary regulatory approval is not so obtained or continued. All Parties hereto shall cooperate to obtain or continue all necessary approvals or authorizations, but no Party shall be liable to any other Party for failure to obtain or continue such approvals or authorizations.
- 9.2 The transportation service described herein shall be provided subject to Subpart G, Part 284 of the FERC Regulations.

ARTICLE X - RESPONSIBILITY DURING TRANSPORTATION

Except as herein specified, the responsibility for gas during transportation shall be as stated in the General Terms and Conditions of Transporter's FERC Gas Tariff Volume No. 1.

ARTICLE XI - WARRANTIES

- 11.1 In addition to the warranties set forth in Article IX of the General Terms and Conditions of Transporter's FERC Gas Tariff, Shipper warrants the following:
- (a) Shipper warrants that all upstream and downstream transportation arrangements are in place, or will be in place as of the requested effective date of service, and that it has advised the upstream and downstream transporters of the receipt and delivery points under this Agreement and any quantity limitations for each point as specified on Exhibit "A" attached hereto. Shipper agrees to indemnify and hold Transporter harmless for refusal to transport gas hereunder in the event any upstream or downstream transporter fails to receive or deliver gas as contemplated by this Agreement.
 - (b) Shipper agrees to indemnify and hold Transporter harmless from all suits, actions, debts, accounts, damages, costs, losses and expenses (including reasonable attorneys fees) arising from or out of breach of any warranty by Shipper herein.
- 11.2 Transporter shall not be obligated to provide or continue service hereunder in the event of any breach of warranty.

ARTICLE XII - TERM

- 12.1 This contract shall be effective as of 1 August, 2002 and shall remain in force and effect, unless modified as per Exhibit B, until 30 April, 2012 ('Primary Term') and on a month to month basis thereafter unless terminated by either Party upon at least thirty (30) days prior written notice to the other Party; provided, however, that if the Primary Term is one year or more, then any rights to Shipper's extension of this Agreement after the Primary Term shall be governed by Article III, Section 10.4 of the General Terms and Conditions of Transporter's FERC Gas Tariff; provided further, if the FERC or other governmental body having jurisdiction over the service rendered pursuant to this Agreement authorizes abandonment of such service, this Agreement shall terminate on the abandonment date permitted by the FERC or such other governmental body.
- 12.2 Any portions of this Agreement necessary to resolve or cash out imbalances under this Agreement as required by the General Terms and Conditions of Transporter's Tariff shall survive the other parts of this Agreement until such time as such balancing has been accomplished; provided, however, that Transporter notifies Shipper of such imbalance not later than twelve months after the termination of this Agreement.
- 12.3 This Agreement will terminate automatically upon written notice from Transporter in the event Shipper fails to pay all of the amount of any bill for service rendered by Transporter hereunder in accord with the terms and conditions of Article VI of the General Terms and Conditions of Transporter's FERC Gas Tariff.

ARTICLE XIII - NOTICE

Except as otherwise provided in the General Terms and Conditions applicable to this Agreement, any notice under this Agreement shall be in writing and mailed to the post office address of the Party intended to receive the same, as follows:

TRANSPORTER: Tennessee Gas Pipeline Company
P. O. Box 2511
Houston, Texas 77252-2511

Attention: Director, Transportation Control

SHIPPER:
NOTICES: Pittsfield Generating Company, L.P.
7600 Wisconsin Avenue
4th Floor
Bethesda, MD 20814

Attention: Manager Gas Operations, Northeast Region

BILLING: PG&E Energy Trading – Gas Corporation
7600 Wisconsin Avenue
3rd Floor
Bethesda, MD 20814

Attention: Gas Accounting

or to such other address as either Party shall designate by formal written notice to the other.

ARTICLE XIV - ASSIGNMENTS

- 14.1 Either Party may assign or pledge this Agreement and all rights and obligations hereunder under the provisions of any mortgage, deed of trust, indenture, or other instrument which it has executed or may execute hereafter as security for indebtedness. Either Party may, without relieving itself of its obligation under this Agreement, assign any of its rights hereunder to a company with which it is affiliated. Otherwise, Shipper shall not assign this Agreement or any of its rights hereunder, except in accord with Article III, Section 11 of the General Terms and Conditions of Transporter's FERC Gas Tariff.
- 14.2 Any person which shall succeed by purchase, merger, or consolidation to the properties, substantially as an entirety, of either Party hereto shall be entitled to the rights and shall be subject to the obligations of its predecessor in interest under this Agreement.

ARTICLE XV - MISCELLANEOUS

- 15.1 THE INTERPRETATION AND PERFORMANCE OF THIS CONTRACT SHALL BE IN ACCORDANCE WITH AND CONTROLLED BY THE LAWS OF THE STATE OF TEXAS, WITHOUT REGARD TO THE DOCTRINES GOVERNING CHOICE OF LAW.
- 15.2 If any provision of this Agreement is declared null and void, or voidable, by a court of competent jurisdiction, then that provision will be considered severable at either Party's option; and if the severability option is exercised, the remaining provisions of the Agreement shall remain in full force and effect.
- 15.3 Unless otherwise expressly provided in this Agreement or Transporter's Gas Tariff, no modification of or supplement to the terms and provisions stated in this Agreement shall be or become effective until Shipper has submitted a request for change through PASSKEY

and Shipper has been notified through PASSKEY of Transporter's agreement to such change.

- 15.4 Exhibit "A" attached hereto is incorporated herein by reference and made a part hereof for all purposes.

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be duly executed as of the date first hereinabove written.

TENNESSEE GAS PIPELINE COMPANY

BY: _____
Agent and Attorney-in-Fact

PITTSFIELD GENERATING COMPANY L.P.
By: Altresco, Inc., its general partner

BY: _____

TITLE: _____

DATE: _____

EXHIBIT "A"
TO GAS TRANSPORTATION AGREEMENT
DATED August 1, 2002
BETWEEN
TENNESSEE GAS PIPELINE COMPANY
AND
PITTSFIELD GENERATING COMPANY L.P.

PITTSFIELD GENERATING COMPANY L.P.
EFFECTIVE DATE OF AMENDMENT: August 1, 2002
RATE SCHEDULE: FT-A
SERVICE PACKAGE: 40274
SERVICE PACKAGE TQ: 31500 Dth

METER	METER NAME	INTERCONNECT PARTY NAME	COUNTY	ST	ZONE	R/D	LEG	TOTAL-TQ	BILLABLE-TQ
010802	NIAGARA RIVER (B1 2 0081)	TRANS CANADA PIPELINE LTD	NIAGARA	NY	06	R	200	31500	31500
020747	BOUSQUET SMS	BERKSHIRE GAS COMPANY THE	BERKSHIRE	MA	06	D	200	31500	31500
Total Receipt TQ									31500
Total Delivery TQ									31500

NUMBER OF RECEIPT POINTS: 1
NUMBER OF DELIVERY POINTS: 1

Note: Exhibit "A" is a reflection of the contract and all amendments as of the amendment effective date.

June 18, 2002

Pittsfield Generating Company L.P.
c/o PG&E NEG
7600 Wisconsin Avenue
Bethesda, MD 20814

Attention: Ed Jarnas

RE: Firm Transportation Negotiated Rate Letter Agreement
Tennessee FT-A Service Package No. 40274

Dear Ed:

In consideration for Pittsfield Generating Company L.P.'s (Pittsfield) conversion from firm transportation service under Tennessee Gas Pipeline Company's (Tennessee) NET 284 Rate Schedule to firm transportation service under Tennessee's Rate Schedule FT-A, and pursuant to Section 5.7 of the FT-A Rate Schedule, Tennessee hereby agrees to adjust its applicable FT-A Transportation rate, as it may change from time-to-time, for service provided under the above referenced service package (the Service Package) as follows:

1. For the period commencing on the later of the day after an order approving this Negotiated Rate Agreement by the Federal Energy Regulatory Commission ("FERC") or August 1, 2002 ("Commencement Date"), and extending for two (2) years from the Commencement Date ("First Period") for transportation service provided by Tennessee on behalf of Shipper under the Service Package, the applicable FT-A rates will be:
 - i) A monthly reservation rate equal to the effective maximum monthly FT-A reservation rate, as it may change, plus a monthly surcharge of \$5.8917 per Dth, and a daily commodity rate equal to the effective maximum FT-A commodity rate, as it may change. These rates are inclusive of surcharges.
 - ii) In addition, Shipper shall furnish a quantity of gas for fuel and losses equal to the applicable FT-A fuel and loss percentage, as it may change.
2. For the period commencing on the second anniversary of the Commencement Date and extending for three (3) years thereafter ("Second Period") for transportation service provided by Tennessee on behalf of Shipper under the Service Package, the applicable FT-A rates will be:
 - i) A monthly reservation rate equal to the effective maximum monthly FT-A reservation rate, as it may change, plus a monthly surcharge of \$4.5321 per Dth, and a daily commodity rate equal to the effective maximum FT-A commodity rate, as it may change. These rates are inclusive of surcharges.

- ii) In addition, Shipper shall furnish a quantity of gas for fuel and losses equal to the applicable FT-A fuel and loss percentage, as it may change.

After the end of the Second Period, the transportation rate under this Agreement shall be the effective maximum FT-A reservation and commodity rates, as they may change from time-to-time. In addition, Shipper shall pay any applicable surcharges under Rate Schedule FT-A as well as furnish a quantity of gas for fuel and losses applicable under Rate Schedule FT-A.

3. Shipper shall maintain, for a period of 42 months commencing on the Commencement Date of the Service Package (Throughput Commitment Period), an annual throughput of 10,347,750 Dth under the Service Package (Throughput Commitment). The Throughput Commitment Period shall be comprised of three twelve-month sub-periods followed by one six-month sub-period during which the Throughput Commitment shall be one half the annual Throughput Commitment. Each Dth of gas flowing under the Service Package on each segment utilized, whether by Shipper or a Replacement Shipper, will be counted towards the Throughput Commitment. To the extent that the Throughput Commitment is not met by the end of each sub-period of the Throughput Commitment Period, Tennessee shall adjust the rate paid during that sub-period, such that Shipper shall pay Tennessee an additional rate equal to the weighted average FT-A commodity rate in effect for the applicable period minus \$0.0009 per Dth multiplied by the Dth deficiency between the Throughput Commitment and the actual throughput. Shipper shall pay this additional rate in one lump sum payment within 10 days of receipt of an invoice from Tennessee. To determine whether Shipper has met its Throughput Commitment during a given sub-period, Tennessee shall consider Shipper's overall actual throughput during that sub-period. Shipper will not have met its Throughput Commitment only if Shipper's throughput in the aggregate fell below the Throughput Commitment during the relevant sub-period.
4. This Negotiated Rate Agreement shall be filed with the FERC and is subject to approval by the FERC. For five (5) years from the Commencement Date, Shipper shall not file or support any filing at the FERC that proposes to decrease the rate under this Negotiated Rate Agreement.
5. If any material term of this Negotiated Rate Agreement, as determined by Tennessee or Shipper at its reasonable discretion, is disallowed or modified by any order, rulemaking, regulation or policy of the FERC and such disallowance or modification has a material adverse effect on the economic positions of Tennessee and/or Shipper under this Agreement, as determined by the reasonable discretion of either party, then the Parties shall meet to negotiate mutually agreeable substitute terms to amend this Negotiated Rate Agreement in order to ensure that the original commercial intent of the Parties is preserved, including but not limited to consideration of the balance of benefits and the timing of implementation.

Tennessee Gas Pipeline Company
Pittsfield Generating Company L P
June 18, 2002
Page 3

Please acknowledge your acceptance of this proposal by signing both originals and returning to the undersigned. One fully executed original will be returned for your records.

Sincerely,

Tennessee Gas Pipeline Company

Pittsfield Generating Company L P
By: Altresco, Inc., its general partner

By: [Signature]
NAME: J. P. Seibert
TITLE: Vice President

Date: 6/28/02

By: [Signature] Date: 6/28/02
NAME: Ernest K. Hauser
TITLE: Senior Vice President

Agent and Attorney-in-Fact

**UNITED STATES OF AMERICA
FEDERAL ENERGY REGULATORY COMMISSION**

In the Matter of)	
)	Docket No. RP96-312-_____
Tennessee Gas Pipeline Company)	

NOTICE OF NEGOTIATED RATE TARIFF FILING

Take notice that on July 1, 2002, Tennessee Gas Pipeline Company ("Tennessee"), Nine Greenway Plaza, Houston, Texas 77046, tendered for filing an original and five copies of its Negotiated Rate Tariff Filing.

Tennessee's filing requests that the Commission approve a negotiated rate arrangement between Tennessee and Pittsfield Generating Company L P. Tennessee requests that the Commission grant such approval effective August 1, 2002.

Any person desiring to be heard or to protest said filing should file a motion to intervene or a protest with the Federal Energy Regulatory Commission, 888 First Street, N.E., Washington, D.C. 20426, in accordance with Sections 385.214 or 385.211 of the Commission's Rules and Regulations. All such motions or protests must be filed in accordance with Section 154.210 of the Commission's Regulations. Protests will be considered by the Commission in determining the appropriate action to be taken, but will not serve to make protestants parties to the proceedings. Any person wishing to become a party must file a motion to intervene. Copies of this filing are on file with the Commission and are available for public inspection. This filing may also be viewed on the web at <http://www.ferc.gov> using the "RIMS" link, select "Docket#" and follow the instructions (call 202-208-2222 for assistance). Comments, protests and interventions may be filed electronically via the Internet in lieu of paper. See, 18 CFR 385.2001(a)(1)(iii) and the instructions on the Commission's web site under the "e-Filing" link.

Magalie Roman Salas
Secretary

FEDERAL ENERGY REGULATORY COMMISSION
WASHINGTON, D.C. 20426

100 FERC ¶ 61,151

August 2, 2002

In Reply Refer To:

Tennessee Gas Pipeline Company

Docket Nos. RP96-312-076, RP96-312-077

RP96-312-078, RP96-312-079

RP96-312-080, RP96-312-081

Tennessee Gas Pipeline Company
P.O. Box 2511
Houston, TX 77151-2511

Attention: Marguerite N. Woung-Chapman

Reference: Negotiated Rate Service Agreements

Dear Ms. Woung-Chapman:

1. On July 1, 2002, Tennessee Gas Pipeline Company (Tennessee) filed in each of the above captioned dockets copies of Gas Transportation Agreements (FT-A Agreements) and Negotiated Rate Letter Agreements entered into on June 18, 2002, (Negotiated Rate Agreements) between Tennessee and certain of its Customers¹ pursuant to Tennessee's Rate Schedule FT-A.² The FT-A Agreements and the Negotiated Rate Agreements reflect negotiated rate arrangements with customers for two commencement periods. The negotiated rate arrangements involve underlying capacity currently held by Customers under Tennessee's Rate Schedule NET-284. Tennessee states that in consideration of the negotiated rate arrangement agreed to by each customer, each

¹Selkirk Cogen Partners, L.P. (Docket No. RP96-312-076 - Service Package No. 40295), Pittsfield Generating Co., L.P. (Docket No. RP96-312-077 - Service Package No. 40275), USGen New England, Inc. (RP96-312-078 - Service Package No. 40279), Orchard Gas Corp. (Docket No. RP96-312-079 - Service Package No. 40277), USGen New England, Inc. (Docket No. RP96-312-080 - Service Package No. 40278), Pittsfield Generating Co., L.P. (Docket No. RP96-312-081 - Service Package No. 40274), (collectively, Customers).

²The Agreements are structured the same, but differ as to levels of service, surcharges, and other details.

Docket No. RP96-312-076, et al.

- 2 -

customer has agreed to convert its Rate Schedule Net-284 contract to service under Rate Schedule FT-A. Tennessee states that although Rate Schedule Net-284 provides open access transportation, it is similar in some respects to Part 157 service in that the service is separately administered from Tennessee's other Part 284 transportation services. Tennessee states it is making this conversion in a similar fashion to the requirements of Section 157.217 of the Commission's Regulations. According to Tennessee, there will be no change in the underlying capacity that is being converted to the FT-A Agreement; customers will take service under Rate Schedule FT-A consistent with the terms of the effective rate schedule; Tennessee will waive the tariff requirements for posting of the capacity; and Tennessee will file to remove the customer's name from Rate Schedule Net-284 upon approval of the Negotiated Rate Agreement. Thus, Tennessee asserts that there will be no change in the underlying capacity being converted. Tennessee seeks a waiver of its tariff's requirements for posting of the capacity. Waiver is granted and the subject filings are accepted, effective August 1, 2002.

2. Public notice of the filings was issued on July 10, 2002.³ Interventions and protests were due as provided in Section 154.210 of the Commission's regulations. Pursuant to Rule 214 (18 C.F.R. § 385.214 (2002)), all timely filed motions to intervene and any motions to intervene out-of-time filed before the issuance date of this order are granted. Granting late intervention at this stage of the proceeding will not disrupt the proceeding or place additional burdens on existing parties.

3. On July 15, 2002, the filings were protested by subsidiaries of Energy East Corporation: Connecticut Natural Gas Corporation, New York State Electric & Gas Corporation, Rochester Gas and Electric Corporation, and The Southern Natural Gas Company (collectively, the Energy East LDCs). In addition, Consolidated Edidson Company of New York, Inc. and Orange and Rockland Utilities, Inc. (ConEd and O&R) filed a request for clarification and a request for a technical conference. Energy East LDCs and ConEd and O&R assert that the conversions of Customers' currently under Rate Schedule NET-284 to Rate Schedule FT-A, raises the questions of whether service to Tennessee's existing customers will be adversely affected, and whether the incremental rate treatment for Rate Schedule NET-284 will be preserved, and if not, how Tennessee's existing customers will be kept whole. ConEd and O&R are concerned with cost shifting of such items which include fuel and lost percentages and incremental pressure charges.

³Docket No. RP96-312-077 was issued on July 12, 2002, in contrast to the other five filings, issued on July 10, 2002.

Thus, East Energy LDCs and ConEd and O&R request that the Commission establish a technical conference to address these concerns.

4. Specifically, East Energy LDCs and ConEd and O&R are concerned that its service to existing FT-A customers will be impaired by the conversion of the subject customers, primarily electric generators, from NET-284 Service to FT-A service, because of the differences between the services. East Energy LDCs and ConEd and O&R state that under NET-284, shippers' service shall be delivered in uniform daily and hourly quantities, while shippers' service under FT-A is more flexible, and shall be delivered in uniform hourly quantities "[a]s nearly as practicable."

5. The Commission finds these arguments unpersuasive and denies the requests for a technical conference. Allowing for conversion to FT-A service cannot result in harm to existing shippers. The converted Rate Schedule NET-284 shippers will be given the same service as any other FT-A shippers, and thus, the tariff rights of the existing FT-A shippers will not change. The conversion is consistent with Commission policy to encourage pipelines to convert Part 157 transportation to Part 284 service.⁴ To the extent hourly take flexibility exists under Rate Schedule FT-A, all firm shippers should be able to use the flexibility on a nondiscriminatory basis. Furthermore, the added flexibility under Rate Schedule FT-A can only be utilized if operationally feasible. The Commission has held that Tennessee may permit individual FT-A customers or all FT-A customers, on the same nondiscriminatory basis, to vary their hourly takes if it is operationally feasible.⁵ Thus, East Energy LDC and ConEd and O&R's concerns that the increased hourly take flexibility provided to former NET-284 electric generators upon conversion to FT-A service will impair Tennessee's system operations is unfounded, since such flexibility may only be permitted if it does not harm operations.

6. ConEd and O&R are concerned about the risk of cost shifting resulting from the conversions. ConEd and O&R state that Tennessee does not discuss how the difference in changes to the contracted fuel and loss percentages in converting from NET-284 service to FT-A service will be recovered. The Commission finds that changes to recovery of fuel use and losses for the converted services along with all other cost shifting issues can be reviewed in Tennessee's next section general 4 rate case proceeding.

⁴See Tennessee Gas Pipeline Company, 89 FERC ¶ 61,051 (1999).

⁵See Tennessee Gas Pipeline Company, 76 FERC ¶ 61,022, at 61,135, 61,138-139 (1996).

Docket No. RP96-312-076, et al.

- 4 -

7. As no one has protested Tennessee's request for waiver of the tariff requirements for posting of the capacity, the Commission grants the waiver in this instance.

By direction of the Commission.

(S E A L)

Linwood A. Watson, Jr.,
Deputy Secretary.

cc: All Parties

**Attorney General
Second Set of Information Requests**

**THE BERKSHIRE GAS COMPANY
D.T.E. 06-27**

Witness: Jennifer M. Boucher
Date: May 12, 2006

Question

AG-2-9: Refer to AG-1-18. Who is Barbara Heffernan? What functions does she perform for Berkshire? Please provide all documents that she has authored related to the analysis of the peaking supply deal with Pittsfield Generating Company Inc. ("Pittsfield")¹

Response: Barbara Heffernan is an attorney with the law firm Schiff, Hardin and Waite. She has represented the interests of the Tennessee New England Customer Group (of which Berkshire Gas is a member along with other gas utilities in New England who utilize the Tennessee Gas Pipeline) for well over a decade and has inherent experience on FERC matters. Ms. Heffernan did not prepare any written analysis related to the Altresco arrangement, rather, oral discussions were held to discuss the matter.

¹ Pittsfield refers Pittsfield Generating Company Inc., or its predecessors or successors including Altresco Pittsfield L.P.

**Attorney General
Second Set of Information Requests**

**THE BERKSHIRE GAS COMPANY
D.T.E. 06-27**

Witness: **Jennifer M. Boucher**
Date: **May 12, 2006**

Question

AG-2-10: Please refer to the response to AG-1-18 Supplemental and AG-1-13.
 REDACTED

Response: INTENTIONALLY OMITTED

****RESPONSE IS CONFIDENTIAL AND PROPRIETARY****

****PROTECTIVE TREATMENT****

**Attorney General
Second Set of Information Requests**

**THE BERKSHIRE GAS COMPANY
D.T.E. 06-27**

Witness: Jennifer M. Boucher
Date: May 12, 2006

Question

AG-2-11: Please refer to the response to AG-1-18 Supplemental. REDACTED

Response: INTENTIONALLY OMITTED

****RESPONSE IS CONFIDENTIAL AND PROPRIETARY**
PROTECTIVE TREATMENT**

**Attorney General
Second Set of Information Requests**

**THE BERKSHIRE GAS COMPANY
D.T.E. 06-27**

**Witness: Jennifer M. Boucher
Date: May 12, 2006**

Question

AG-2-12: Please refer to the response to AG-1-18 Supplemental. REDACTED

Response: INTENTIONALLY OMITTED

****RESPONSE IS CONFIDENTIAL AND PROPRIETARY**
PROTECTIVE TREATMENT**

**Attorney General
Second Set of Information Requests**

**THE BERKSHIRE GAS COMPANY
D.T.E. 06-27**

Witness: Jennifer M. Boucher
Date: May 12, 2006

Question
AG-2-13: Please refer to the response to AG-1-18 Supplemental. REDACTED

Response: INTENTIONALLY OMITTED

****RESPONSE IS CONFIDENTIAL AND PROPRIETARY****
****PROTECTIVE TREATMENT****

**Attorney General
Second Set of Information Requests**

**THE BERKSHIRE GAS COMPANY
D.T.E. 06-27**

Witness: Jennifer M. Boucher
Date: May 12, 2006

Question

AG-2-14: Please refer to the response to AG-1-18 Supplemental. REDACTED

Response: INTENTIONALLY OMITTED

****RESPONSE IS CONFIDENTIAL AND PROPRIETARY**
PROTECTIVE TREATMENT**

**Attorney General
Second Set of Information Requests**

**THE BERKSHIRE GAS COMPANY
D.T.E. 06-27**

**Witness: Jennifer M. Boucher
Date: May 12, 2006**

Question

AG-2-15: Please refer to the response to AG-1-18 Supplemental. REDACTED

Response: INTENTIONALLY OMITTED

****RESPONSE IS CONFIDENTIAL AND PROPRIETARY**
PROTECTIVE TREATMENT**

**Attorney General
Second Set of Information Requests**

**THE BERKSHIRE GAS COMPANY
D.T.E. 06-27**

Witness: Jennifer M. Boucher
Date: May 12, 2006

Question
AG-2-16: Please refer to the response to AG-1-18 Supplemental. REDACTED

Response: INTENTIONALLY OMITTED

****RESPONSE IS CONFIDENTIAL AND PROPRIETARY****
****PROTECTIVE TREATMENT****

**Attorney General
Second Set of Information Requests**

**THE BERKSHIRE GAS COMPANY
D.T.E. 06-27**

Witness: Jennifer M. Boucher
Date: May 12, 2006

Question

AG-2-17: Please refer to the response to AG-1-18 Supplemental. REDACTED

Response: INTENTIONALLY OMITTED

****RESPONSE IS CONFIDENTIAL AND PROPRIETARY****

****PROTECTIVE TREATMENT****

**Attorney General
Second Set of Information Requests**

**THE BERKSHIRE GAS COMPANY
D.T.E. 06-27**

Witness: Jennifer M. Boucher
Date: May 12, 2006

Question

AG-2-18: Please refer to the response to AG-1-18 Supplemental. REDACTED

Response: INTENTIONALLY OMITTED

****RESPONSE IS CONFIDENTIAL AND PROPRIETARY**
PROTECTIVE TREATMENT**

**Attorney General
Second Set of Information Requests**

**THE BERKSHIRE GAS COMPANY
D.T.E. 06-27**

Witness: Jennifer M. Boucher
Date: May 12, 2006

Question
AG-2-19: Please refer to the response to AG-1-18 Supplemental. REDACTED

Response: INTENTIONALLY OMITTED

****RESPONSE IS CONFIDENTIAL AND PROPRIETARY****
****PROTECTIVE TREATMENT****

**Attorney General
Second Set of Information Requests**

**THE BERKSHIRE GAS COMPANY
D.T.E. 06-27**

Witness: Jennifer M. Boucher
Date: May 12, 2006

**Question
AG-2-20:**

Provide a list of all written and oral agreements between Berkshire and Pittsfield or Altresco or PurEnergy for delivery of natural gas to Berkshire. For each agreement include the common name of the agreement, the name of the parties to the agreement, the amount of gas for contract under the agreement, the months that the company would receive gas in a given year under the agreement, and the term of the agreement.

Response: Berkshire executed two long-term agreements with Altresco: (i) the Fuel Purchase Agreement, as amended, provided in the response to Information Request AG-1-19; and (ii) the Transportation Agreement provided in the Response to Information Request AG-1-24. The Fuel Purchase Agreement provided for the sale of peak season gas supplies during the "Winter Period" and the Transportation Agreement afforded Berkshire certain firm and interruptible transportation rights. Article 6 of the Transportation Agreement, Term and Termination, provided for a term of 25 years with three potential extensions each for five year periods. The FPA's term was defined by reference to other agreements, namely the plant operator's gas supply and transportation agreements as well as the Berkshire Transportation Agreement. See FPA Section 6 – "Term".

**Attorney General
Second Set of Information Requests**

**THE BERKSHIRE GAS COMPANY
D.T.E. 06-27**

Witness: Jennifer M. Boucher
Date: May 12, 2006

Question

AG-2-21: Please refer to the response to AG-1-18 Supplemental and DTE 1-6 attachment (d). REDACTED

Response: INTENTIONALLY OMITTED

****RESPONSE IS CONFIDENTIAL AND PROPRIETARY**
PROTECTIVE TREATMENT**

**Attorney General
Second Set of Information Requests**

**THE BERKSHIRE GAS COMPANY
D.T.E. 06-27**

Witness: Jennifer M. Boucher
Date: May 12, 2006

Question

AG-2-22: Please refer to the response to AG-1-18 Supplemental and DTE 1-6 attachment (d), page 4. REDACTED

Response: INTENTIONALLY OMITTED

****RESPONSE IS CONFIDENTIAL AND PROPRIETARY****

****PROTECTIVE TREATMENT****

**Attorney General
Second Set of Information Requests**

**THE BERKSHIRE GAS COMPANY
D.T.E. 06-27**

Witness: Jennifer M. Boucher
Date: May 12, 2006

Question

AG-2-23: What is the approximate day of the year that Berkshire contacted Distrigas to determine whether it had excess LNG available for the winter which the Company could purchase? How did the Company contact Distrigas (letter or phone) and provide supporting documentation? Provide the Distrigas contract and the date it was entered into.

Response: The Company contacted Distrigas by phone within days after the October 7, 2004 meeting with the Plant operator (see Attachment DTE-1-6(b)). Email correspondence between Berkshire Gas and Distrigas proceeded from October 18, 2004 to October 28, 2004 (see Attachment AG-2-23(a)). A copy of the Distrigas contract agreed to following this correspondence is provided as Attachment AG-2-23(b) (confidential).

****ATTACHMENT AG-2-23(b) IS CONFIDENTIAL AND PROPRIETARY****
****PROTECTIVE TREATMENT****

Attachment AG-2-23(a)
D.T.E. 06-27

Karen Zink

From: JMurphy@tlna.com
Sent: Thursday, October 28, 2004 9:22 AM
To: "Karen Zink" <kzink@berkshiregas.com>
Cc: wbarschdorf, "SGuadagno@tlna.com"
Subject: Re: Draft Agreement

AWESOME!!!!!!!!!!!!!!!!!!!!

Joseph P. Murphy
Vice President of Sales & Transportation
Distrigas of Massachusetts, LLC
Boston, MA

"Karen Zink" <kzink@berkshiregas.com>
10/28/2004 07:45 AM

To
JMurphy@tlna.com
cc
wbarschdorf@berkshiregas.com, SGuadagno@tlna.com
Subject
Re: Draft Agreement

Joe Bill is still out which is putting me in a bind. Let me see if I
can get someone else to work on reviewing this with me I'll do my best.

It pains me to say it but congratulations!

>>> Joe Murphy <JMurphy@tlna.com> 10/27 7:05 PM >>>
Karen,

I know we are under a crunch, but dispatching gas without a contract
requires a few hoop jumps, that I like to avoid if at all humanly
possible. Let us know if we can assist.

5/4/2006

Lets talk tomorrow.

Thanks

Joe

Joseph P. Murphy
Vice President of Sales & Transportation
Distrigas of Massachusetts, LLC
Boston, MA

"Karen Zink" <kzink@berkshiregas.com>
10/27/2004 03:23 PM

To
wbarschdorf@berkshiregas.com, SGuadagno@tlna.com
cc
JMurphy@tlna.com
Subject
Re: Draft Agreement

Saundra Bill is out of the office and I need to compare this document to

our existing agreements. I may also need a quick legal review. I was going to execute the letter agreement. If that is executed this week but the contract is not signed and finalized until early next week, will that be acceptable? I need to be sure we all have enough time to review the contract. I appreciate your feedback thanks.

Karen Zink
President, COO & Treasurer
The Berkshire Gas Company
115 Cheshire Road
Pittsfield, MA 01201
(phone) 4134450244
(cell) 4134415795
(fax) 4134430546

>>> Saundra Guadagno <SGuadagno@tlna.com> 10/27 10:14 AM >>>

5/4/2006

Karen/Bill:

Pursuant to the request of Joe Murphy, attached for your review please find in draft form the form of Firm Vapor Service agreement provided that this form meets with your approval, we would like to send executable forms to your attention today in pdf format, and will follow with originals for tomorrow delivery.

Please review at your earliest convenience we are attempting to receive all documents, fullyexecuted, by Thursday, October 28th, and so any assistance you can provide to us in order to meet this deadline would be greatly appreciated.

Please do not hesitate to contact me at 617.526.8305 if I can be of assistance, or Joe directly at 617.526.8331, should you have any concerns regarding the attached draft agreement.

We look forward to hearing from you. Regards, Sandra

5/4/2006

Karen Zink

From: JMurphy@tlna.com
Sent: Friday, October 22, 2004 2:39 PM
To: "William Barschdorf" <wbarschdorf@berkshiregas.com>
Cc: kzink
Subject: Re: Alternate Pricing Index

Bill,

We are taking a look at the possible alternatives for a replacement index if the first index is not published. I do not think what you listed below would properly mirror the first index. Let us take a look at it and we will put a suggestion into the draft agreement.

Thanks

Joe

Joseph P. Murphy
Vice President of Sales & Transportation
Distrigas of Massachusetts, LLC
Boston, MA

"William Barschdorf" <wbarschdorf@berkshiregas.com>
10/22/2004 11:15 AM

To
JMurphy@tlna.com
cc
kzink@berkshiregas.com
Subject
Alternate Pricing Index

Hi Joe,

After some further discussion between Karen and myself, we would like to propose an alternate pricing index for your proposal that

5/4/2006

would be based on the following:

Tennessee Gas Pipeline FOM Index Texas, Zone 0 grossed up for fuel loss plus variables to our citygate.

We believe that is a fair alternate price in the event that the primary pricing mechanism were not available. Please let me know if that would be an option you would consider. Thanks!

Bill

5/4/2006

Karen Zink

From: JMurphy@tlingna.com
Sent: Thursday, October 21, 2004 2:43 PM
To: "William Barschdorf" <wbarschdorf@berkshiregas.com>
Subject: Re: New Proposal

Sorry for the delay. Attached is the revised proposal.

Joseph P. Murphy
Vice President of Sales & Transportation
Distrigas of Massachusetts, LLC
Boston, MA

"William Barschdorf" <wbarschdorf@berkshiregas.com>
10/21/2004 08:29 AM

To
JMurphy@tlingna.com
cc

Subject
Re: New Proposal

Good Morning Joe,
Congratulations on the Red Sox win last
night. Boston must be going crazy! I wanted to check on the proposal you
are working on for us and see if you would be sending to us this morning.
Please let me know. Thanks!
Bill

>>> Joe Murphy <JMurphy@tlingna.com> 10/18 3:42 PM >>>
Bill/ Karen

Attached is the revised proposal that we discussed. Please let me know as

5/4/2006

soon as you can. I can be reached on my cell after 4:00 today.
6178994060.

Thanks

Joe

Joseph P. Murphy
Vice President of Sales & Transportation
Distrigas of Massachusetts, LLC
Boston, MA

5/4/2006

Karen Zink

From: JMurphy@tlna.com
Sent: Tuesday, October 19, 2004 6:17 PM
To: "William Barschdorf" <wbarschdorf@berkshiregas.com>
Subject: Re: New Proposal 101804

Bill,

Attached is a proposal for 45 days of service.

Joe

Joseph P. Murphy
Vice President of Sales & Transportation
Distrigas of Massachusetts, LLC
Boston, MA

"William Barschdorf" <wbarschdorf@berkshiregas.com>
10/19/2004 09:54 AM

To
JMurphy@tlna.com
cc

Subject
Re: New Proposal 101804

Joe,

Karen and I reviewed your proposals and would like you to provide one additional proposal that would be based on an MDQ of 7,500 and an ACQ of 337,500. Please let me know if that is something you would be willing to do. Thanks!

Bill

>>> Joe Murphy <JMurphy@tlna.com> 10/18 3:42 PM >>>
Bill/ Karen

5/4/2006

Attached is the revised proposal that we discussed. Please let me know as soon as you can. I can be reached on my cell after 4:00 today.
6178994060.

Thanks

Joe

Joseph P. Murphy
Vice President of Sales & Transportation
Distrigas of Massachusetts, LLC
Boston, MA

5/4/2006

**Attorney General
Second Set of Information Requests**

**THE BERKSHIRE GAS COMPANY
D.T.E. 06-27**

Witness: Jennifer M. Boucher
Date: May 12, 2006

Question

AG-2-24: Please refer to the response to Direct Testimony of Jennifer M. Boucher, page 9, lines 9-10. What demand charge did the Company incur for the Distrigas supply? Provide the incremental cost to customers for the replacement of the AFPA with Distrigas. Include all supporting documentation, calculations, workpapers and assumptions.

Response: INTENTIONALLY OMITTED

****RESPONSE IS CONFIDENTIAL AND PROPRIETARY****

****PROTECTIVE TREATMENT****

**Attorney General
Second Set of Information Requests**

**THE BERKSHIRE GAS COMPANY
D.T.E. 06-27**

Witness: Jennifer M. Boucher
Date: May 12, 2006

**Question
AG-2-25:**

State the incremental costs to ratepayers in the 2005/2006 heating season under the Coral agreement that resulted from the loss of the AFPA/FPA and provide supporting documentation, calculations, workpapers and assumptions. Please calculate the incremental costs by a comparison to the costs under the AFPA Agreement and not the Distrigas supply.

Response: The Company is not able to calculate the incremental cost (if any) to customers for the replacement of the AFPA with the Coral Agreement, since the Company does not know what the price of the AFPA volumes would have been set at for the 2005/2006 heating season.

**Attorney General
Second Set of Information Requests**

**THE BERKSHIRE GAS COMPANY
D.T.E. 06-27**

Witness: **Jennifer M. Boucher**
Date: **May 12, 2006**

Question

AG-2-26: Is it possible that Pittsfield provided gas under an oral contract or a novation and explain the Company's reasoning to support its conclusion?

Response: This request requires a legal analysis that the Company has not prepared. The critical factor to the Company in 2004 was the fact that Berkshire was aware that firm transportation rights had been released. See the response to Information Requests AG-2-8 and AG-2-12.

**Attorney General
Second Set of Information Requests**

**THE BERKSHIRE GAS COMPANY
D.T.E. 06-27**

Witness: Jennifer M. Boucher
Date: May 12, 2006

**Question
AG-2-27:**

Refer to the response to AG-1-21. According to evidence provided in DTE 04-60 (NSTAR divestiture of PPA agreements with Pittsfield Generating), the output of the Altresco plant declined significantly as early as September 2003. Exh. AG-1-10 and AG-2-2, attached. Given that the Company is delivering the gas to the Pittsfield facility and apparently it had "regular meetings and discussions with the plant's personnel throughout the term of the FPA and AFPA", why didn't the Company begin discussions with Pittsfield's owners or operators regarding the future of the plant in 2003? If the Company was not aware that the gas throughput had significantly decreased, please explain why?

Response: The Company was aware that the plant was not operating at full capacity in 2003 based on the reduced throughput volumes. In discussions with the operator, the Company was advised that the parent company was in bankruptcy proceedings which was having an effect on their ability to operate the plant at full capacity. Nonetheless, the operator assured the Company there was no issue with providing Berkshire its peaking supply. In fact, in the winter 2003-2004, the plant always provided Berkshire with its requested peaking supply.

**Attorney General
Second Set of Information Requests**

**THE BERKSHIRE GAS COMPANY
D.T.E. 06-27**

Witness: Jennifer M. Boucher
Date: May 12, 2006

Question

AG-2-28: Please refer to the response to the responses to DTE-1-4 and DTE-1-19. Please explain why the Company thought, at the time it issued the July 13, 2005 RFP, that capacity was available on both Iroquois and Tennessee that would deliver gas to Berkshire from Niagara. Include copies of all correspondence that supports the Company's expectations.

Response: The Company had phone conversations with representatives from both Iroquois and Tennessee regarding whether capacity might be available at specific delivery and receipt points. See Attachment AG-2-28 which summarizes how the Company determined the Tennessee capacity was not available for an extended period of time.

DATE: July 19, 2005

TIME: 11:00 A.M.

TO: ALL TENNESSEE GAS PIPELINE CUSTOMERS

RE: AVAILABLE FIRM CAPACITY FROM ZONES 0, 1, L, 5 AND 6 RECEIPT POINTS TO ZONES 1, L, 2, 3, 4, 5 200 LINE, and 6 DELIVERY POINTS AND AMENDMENT CHANGES (POSTING #503)

For availability starting August 1, 2005 through October 31, 2008, Tennessee is initiating an open season for an aggregate of up to approximately 100,000 Dth/d of firm capacity available from receipts in Zone 0, Zone L and Zone 1 to delivery points in the following zones: Zone 4, Zone 3, Zone 2, Zone L, and Zone 1. Tennessee has 2,000 Dth/d of firm capacity available out of zone 0 for the upcoming winter season. Tennessee has set reserve prices for the capacity offered in this open season with an independent third-party auditor. Tennessee will post the name and contact information of the third party auditor with its award of capacity posting.

For availability starting August 1, 2005 through October 31, 2005, Tennessee has approximately 24,000 Dth/d of firm capacity available from receipts in Zones 0, L and 1 to deliveries in Zone 5 on the 200 line. Tennessee reserves the right to deny any bids submitted at less than the maximum reservation and commodity rates, including surcharges, for this capacity.

For availability starting November 1, 2005 through April 30, 2008, Tennessee has approximately 27,700 Dth/d of firm capacity available from the Maritimes receipt point at Dracut (#012538) in Zone 6 to delivery points in Zones 4, 5 and 6 on the 200 Line. Tennessee reserves the right to deny any bids submitted at less than the maximum reservation and commodity rates, including surcharges, for this capacity.

For availability starting August 1, 2005 through October 31, 2007, Tennessee has approximately 6,700 Dth/d of firm capacity available from the Iroquois receipt point at Wright (#012181) in Zone 5 to delivery points in Zones 5 and 6 upstream of station 261. Tennessee reserves the right to deny any bids submitted at less than the maximum reservation and commodity rates, including surcharges, for this capacity. *- is there a ROFR, is this all that is available, anything except from with ROFR? at night*

This open season is for capacity available for the receipt and delivery point combinations/paths specified above. As such, Tennessee reserves the right to reject any bid that does not specify the paths posted above. In addition, Tennessee reserves the right to reject any bids that do not begin August 1, 2005 and any bids having a duration of less than a full season (April to October or November to March).

Also for availability from August 1, 2005 through October 31, 2023, Tennessee has capacity available within Zone 0, Zone 1, Zone L 500 Line and 800 Line to accommodate contract amendment requests to mutually agreeable meters.

Available capacity volumes are contingent upon mainline, meter and lateral capacity.

Tennessee will be holding this open season in accordance with Article XXVIII, Section 5 of the General Terms and Conditions of its FERC Gas Tariff, commencing at 11:00 a.m. CCT Tuesday, July 19, 2005 and ending at 11:00 a.m. CCT, Tuesday, July 26, 2005. All bids submitted during the open season may be withdrawn and/or replaced with a higher NPV bid during the open season period. Bids cannot be replaced with lower NPV bids. Tennessee reserves the right to reject any bid that has a negative Net Present Value. Tennessee reserves the right to reject negotiated rate bids. Tennessee reserves the right to reject bids with deviations in monthly MDQ's. Tennessee reserves the right to reject contingent bids. Tennessee reserves the right to accept bids outside of the timeline, with a start date on or before February 1, 2006. Tennessee has the right but not the obligation to clarify and finalize bids containing non-specific receipt or delivery meters. For discounted bids, Tennessee will assume that the rate(s) bid is applicable

only to the receipt and delivery points identified in the bid. Tennessee has the right to award capacity to alternate receipt or delivery points if capacity is unavailable at the meters specified in the bid. Tennessee reserves the right to award capacity for a quantity less than the bid quantity, if sufficient capacity is not available to award the entire bid quantity. Tennessee reserves the right to agree to discounted rates on a point and volume specific basis. Upon completion of this open season, all remaining bids will be considered binding until a successful bid(s) has been awarded.

All final bids received during the open season will be evaluated on a Net Present Value (NPV) per Dth basis using the factors posted on April 12, 2005 in the EBB notice titled "Open Season Factors- Revised". All bids should include a primary receipt meter and a primary delivery meter, and refer to Open Season #503.

Parties interested in this capacity should submit a binding Firm Transportation request through the PASSKEY System or submit a binding bid via facsimile at (713) 420-4354. Parties may also submit a binding bid via e-mail by sending their request to TGPBidroom@elpaso.com. Contact the Bidroom between 8am and 5pm CCT, Monday through Friday to confirm Tennessee's receipt of any bid. For further information please contact a Capacity Trader at the following numbers:

Andy Armstrong	(713) 420-1650
Scott Culberson	(713) 420-2461
James Eckert	(713) 420-1989
Stuart Neck	(713) 420-2230
Amrishi Patel	(713) 420-2265

**Attorney General
Second Set of Information Requests**

**THE BERKSHIRE GAS COMPANY
D.T.E. 06-27**

Witness: Jennifer M. Boucher
Date: May 12, 2006

Question

AG-2-29: Please refer to the response to the responses to DTE-1-4 and DTE-1-19. Please explain why there was no capacity available to the Company on Iroquois? Was there a single entity that obtained all available capacity on Iroquois at the time the Company was contemplating the supply RFP? If yes, who was the entity?

Response: As stated in the response to DTE-1-4, there was capacity available on Iroquois, however, it was for year round capacity, not winter only capacity. After analyzing the cost of the year round capacity and the limited term availability of Tennessee capacity (see Attachment AG-2-28), the Company did not pursue an option to purchase Iroquois capacity. Berkshire is not aware of what entity or entities may have contracted for Iroquois capacity.

**Attorney General
Second Set of Information Requests**

**THE BERKSHIRE GAS COMPANY
D.T.E. 06-27**

Witness: **Jennifer M. Boucher**
Date: **May 12, 2006**

Question

AG-2-30: Please refer to the response to the responses to DTE-1-4 and DTE-1-19. Please explain the lack of capacity available to the Company on Tennessee and identify the name of any single entity that obtained all available capacity on Iroquois at the time the Company contemplated the supply RFP.

Response: See the response to Information Request AG-2-28 and AG-2-29.

**Attorney General
Second Set of Information Requests**

**THE BERKSHIRE GAS COMPANY
D.T.E. 06-27**

Witness: **Jennifer M. Boucher**
Date: **May 12, 2006**

Question
AG-2-31: Explain why the Company sought firm winter gas supply solely from Waddington in its July 13, 2005 RFP and not from another receipt point or delivery to Berkshire's citygate?

Response: The Company sought firm winter gas supply solely from Waddington in its July 13, 2005 RFP since it is the point at which supply is acquired on the Iroquois Gas Pipeline.

**Attorney General
Second Set of Information Requests**

**THE BERKSHIRE GAS COMPANY
D.T.E. 06-27**

Witness: Jennifer M. Boucher
Date: May 12, 2006

Question
AG-2-32: Please refer to the response to AG-1- 19. Did the Company or its counsel evaluate the terms of the GPA by reviewing the actual GPA or a copy of the actual GPA in order to conclude it had been terminated? Please state yes or no and explain.

Response: No. Please refer to the Company's responses to Information Requests AG-2-8 and AG-2-12.

**Attorney General
Second Set of Information Requests**

**THE BERKSHIRE GAS COMPANY
D.T.E. 06-27**

Witness: Jennifer M. Boucher
Date: May 12, 2006

Question

AG-2-33: Please refer to the response to AG-1-20. Why is this the "best strategy" and explain the benefits that the strategy will have for customers.

Response: The ability to structure new opportunities should the Altresco plant resume full operations would likely benefit customers in terms of reduced balancing charges and, potentially, gas purchase rights as it is likely that there would be opportunities for synergies.

**Attorney General
Second Set of Information Requests**

**THE BERKSHIRE GAS COMPANY
D.T.E. 06-27**

Witness: **Jennifer M. Boucher**
Date: **May 12, 2006**

Question
AG-2-34: Please refer to the response to AG-1-25. Did the Department approve the FPA and if not then why not?

Response: The Company believes that the Departments' decision in D.P.U. 93-22 approved both the transportation agreement and the amended fuel purchase agreement. As noted in the response to Information Request AG-1-25, the Company could not locate a copy of this decision.

**Attorney General
Second Set of Information Requests**

**THE BERKSHIRE GAS COMPANY
D.T.E. 06-27**

Witness: Jennifer M. Boucher
Date: May 12, 2006

Question
AG-2-35: Please refer to the response to AG-1-26. What are the referenced agreements? Provide them and if they are oral then provide their terms as you understand them?

Response: The response is intended to refer to the plant operator's supply contracts described in the cited transcript. The termination of these agreements had been described as one of the reasons that FPA performance was questioned. The Company also relied upon the termination of the plant operator's Tennessee FT-A rights. See responses to Information Requests AG-2-8 and AG-2-12.

**Attorney General
Second Set of Information Requests**

**THE BERKSHIRE GAS COMPANY
D.T.E. 06-27**

Witness: **Jennifer M. Boucher**
Date: **May 12, 2006**

Question

AG-2-36: Please refer to the response to the FPA, attachment (a) to AG-1- 19, page 6-7.
Define "term" and "terms" as used in Section 6 of the FPA. REDACTED

Response: INTENTIONALLY OMITTED

****RESPONSE IS CONFIDENTIAL AND PROPRIETARY****

****PROTECTIVE TREATMENT****